

**Specifications for Filing  
Forms 1098, 1099,  
5498 and W-2G  
Magnetically or  
Electronically**

Including 1/2-inch magnetic tape,  
IBM 3480/3490, AS400 compatible  
Tape cartridges, 8mm tape cartridge,  
4mm, and Quarter Inch Cartridges, or  
5-1/4 and 3-1/2 inch diskettes

Department of the Treasury  
**Internal Revenue Service**  
Publication 1220 (Rev. 5-98)  
Catalog Number 61275P



**NOTE:**

**Following is a list of related instructions and forms for filing Information Returns Magnetically/Electronically:**

- **1998 Instructions for Forms 1099, 1098, 5498, and W-2G**
- **Form 4419 - Application for Filing Information Returns Magnetically/Electronically**
- **Form 4804 - Transmittal of Information Returns Reported Magnetically/Electronically**
- **Form 4802 - Transmittal of Information Returns Reported Magnetically/Electronically (Continuation)**
- **Form 8508 - Request for Waiver From Filing Information Returns on Magnetic Media (Forms W-2, W-2G, 1042-S, 1099, 5498, and 8027)**
- **Form 8809 - Request for Extension of Time To File Information Returns (For Forms W-2, W-2G, 1042-S 1098, 1099, and 5498)**
- **Notice 210 - Preparation Instructions for Media Label**

The Internal Revenue Service, Martinsburg Computing Center encourages filers to make copies of blank forms for future use.

Rev. Proc. 98-

Use this revenue procedure to prepare Tax Year 1998 information returns for submission to Internal Revenue Service (IRS) using any of the following:

- Magnetic Tape
- Tape Cartridge
- 8mm, 4mm, and Quarter  
Inch Cartridges
- 5 ¼-inch Diskette
- 3 ½-inch Diskette
- Electronic Filing
  - (Bisynchronous)
  - (Asynchronous)

**Caution to filers:**

**Format changes to accommodate Year 2000 are included in this publication for TY 1998, calendar year 1999, as well as a significant change in record size from 420 positions to 750 positions.**

**To be in compliance with Year 2000 changes, the current bisynchronous electronic filing communications package will be changed next year.**

**Please read this publication carefully. Persons or businesses required to file information returns magnetically or electronically may be subject to penalties for failure to file or include correct information if they do not follow the instructions in this revenue procedure.**

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## Part A. General

Revenue procedures are generally revised annually to reflect legislative and form changes. Comments concerning this revenue procedure, or suggestions for making it more helpful, can be addressed to:

Internal Revenue Service  
Martinsburg Computing Center  
Attn: IRB, Information Support Section  
P. O. Box 1359  
Martinsburg, WV 25402

### Sec. 1. Purpose

**.01** The purpose of this revenue procedure is to provide the specifications for filing Forms 1098, 1099, 5498, and W-2G magnetically or electronically, which includes ½-inch magnetic tape; IBM 3480, 3490 or AS400 compatible tape cartridges (including 8mm); or 5 ¼- and 3 ½-inch diskettes with IRS. **IRS/MCC has discontinued processing 8-inch diskettes.** This revenue procedure must be used for the preparation of Tax Year 1998 information returns and information returns for tax years prior to 1998 that are required to be filed. This revenue procedure must be used to prepare current and prior year information returns **filed beginning January 1, 1999, and received by IRS/MCC or postmarked by December 15, 1999.** Specifications for filing the following forms are contained in this revenue procedure.

- (a) Form 1098, Mortgage Interest Statement.
- (b) Form 1098-E, Student Loan Interest Statement
- (c) Form 1098-T, Tuition Payments Statement
- (d) Form 1099-A, Acquisition or Abandonment of Secured Property
- (e) Form 1099-B, Proceeds From Broker and Barter Exchange Transactions
- (f) Form 1099-C, Cancellation of Debt
- (g) Form 1099-DIV, Dividends and Distributions
- (h) Form 1099-G, Certain Government Payments
- (i) Form 1099-INT, Interest Income
- (j) Form 1099-LTC, Long-Term Care and Accelerated Death Benefits
- (k) Form 1099-MISC, Miscellaneous Income
- (l) Form 1099-MSA, Distributions From Medical Savings Accounts
- (m) Form 1099-OID, Original Issue Discount
- (n) Form 1099-PATR, Taxable Distributions Received From Cooperatives
- (o) Form 1099-R, Distributions From Pensions, Annuities, Retirement or Profit-Sharing Plans, IRAs, Insurance Contracts, etc.
- (p) Form 1099-S, Proceeds From Real Estate Transactions
- (q) Form 5498, IRA Contribution Information
- (r) Form 5498-MSA, Medical Savings Account Information

(s) Form W-2G, Certain Gambling Winnings

**.02** Specifications for filing Forms W-2 on magnetic media are available from the Social Security Administration (SSA) **only**. Filers can call 1-800-SSA-1213 to obtain the phone number of the SSA Magnetic Media Coordinator for their area.

**.03** IRS/MCC does **not** process Forms W-2. Paper **and/or** magnetic media for Forms W-2 must be sent to SSA. IRS/MCC does, however, process waiver requests (Form 8508), extension of time to file requests (Form 8809) for Forms W-2 and requests for extension of time to provide the employee copies of Forms W-2.

**.04** Generally, the box numbers on the paper forms correspond with the amount codes used to file magnetically/electronically; however, if discrepancies occur, the instructions in this revenue procedure govern.

**.05** This revenue procedure also provides the requirements and specifications for magnetic media or electronic filing under the Combined Federal/State Filing Program.

**.06** The following revenue procedures and publications provide more detailed filing procedures for certain other information returns.

- (a) 1998 "Instructions for Forms 1099, 1098, 5498, and W-2G" provides specific instructions on completing and submitting information returns to IRS.
- (b) Rev. Proc. 84-33, 1984-1 C.B. 502, regarding the optional method for agents to report and deposit backup withholding.
- (c) Publication 1179, Rules and Specifications for Private Printing of Substitute Forms 1096, 1098, 1099, 5498, and W-2G.
- (d) Publication 1239, Specifications for Filing Form 8027, Employer's Annual Information Return of Tip Income and Allocated Tips, on Magnetic Tape and 5 ¼- or 3 ½-inch Diskettes.
- (e) Publication 1187, Specifications for Filing Form 1042-S, Foreign Person's U.S. Source Income Subject to Withholding, Electronically or on Magnetic Tape, and 5 ¼- or 3 ½-inch Diskettes.
- (f) Publication 1245, Specifications for Filing Form W-4, Employee's Withholding Allowance Certificate, Magnetically or Electronically.
- (g) Rev. Proc. 98-25, specifications set forth for the magnetic or electronic filing of 1998 Form 8851, Summary of Medical Savings Accounts, Magnetically/Electronically.

**.07** This revenue procedure supersedes Rev. Proc. 97-34 published as Publication 1220 (Rev. 7-97), Specifications for Filing Forms 1098, 1099, 5498, and W-2G Magnetically or Electronically.

**.08** Refer to Part A, Sec. 17, for definitions of terms used in this publication.

## **Sec. 2. Nature of Changes--Current Year (Tax Year 1998)**

**.01** Legislative changes for Tax Year 1998 necessitated major changes in the record format for information returns filed magnetically/electronically. There are two new forms for Tax Year 1998, the Form 1098-E, Student Loan Interest Statement, and Form

**1098-T, Tuition Payments Statement.** However, for Tax Year 1998, Form 1098-T is not required to be reported magnetically. Additional fields have been added to some of the existing records. IRS/MCC has redesigned the record layouts and expanded record lengths from 420 positions to 750 positions for the Payer "A" Record, the Payee "B" Record, the End of Payer "C" Record, the State Totals "K" Record, and the End of Transmission "F" Record. In addition, a Transmitter "T" Record has been added as the first record on the file. This record will contain transmitter information from the Form 4804, Transmittal of Information Returns Reported Magnetically/Electronically. The record changes make it imperative for filers to read this publication in its entirety. Failure to comply with the new record formats will result in the media being returned to the filer.

**.02** In previous years, new or revised information in the publication has been highlighted by the use of italics. Due to the complete change in record formats, italics will not be used in this publication. Filers are encouraged to read the entire publication.

**.03** Within the next few years, IRS/MCC will discontinue processing 5 1/4-inch diskettes as an acceptable form of media. Filers are encouraged to explore optional types of media or methods for submitting information returns to IRS/MCC. The Information Reporting Program-Bulletin Board System (IRP-BBS) is a highly recommended alternative to diskette filing.

### **Sec. 3. Where to File and How to Contact the IRS, Martinsburg Computing Center**

**.01** All information returns filed magnetically or electronically are processed at IRS/MCC. Files containing information returns, requests for IRS magnetic media and electronic filing information, undue hardship waivers, and requests for extensions of time to file returns or to furnish the statements to recipients are to be sent to the following addresses:

§	or	¶
If by Postal Service:		If by truck or air freight:
IRS-Martinsburg Computing Center		IRS-Martinsburg Computing Center
Information Reporting Program		Information Reporting Program
P. O. Box 1359		Route 9 and Needy Road
Martinsburg, WV <b>25402-1359</b>		Martinsburg, WV 25401

**.02** Send a magnetically filed extension of time request to one of the following addresses:

If by Postal Service: §  
IRS-Martinsburg Computing Center  
Information Reporting Program  
**Attn: Extension of Time Coordinator**  
P. O. Box 879  
Kearneysville, WV 25430

If by truck or air freight: ¶

IRS-Martinsburg Computing Center  
Information Reporting Program  
**Attn: Extension of Time Coordinator**  
Route 9 and Needy Road  
Martinsburg, WV 25401

**.03** Telephone inquiries for the Information Reporting Call Site may be made between 8:30 a.m. and 4:30 p.m. Eastern time, Monday through Friday.

**.04** The telephone numbers for magnetic media inquiries or electronic submissions are:



**304-263-8700 - Call Site - Part A, Sec 3.10**

**Asynchronous filing**

**304-264-7070 - IRP-BBS (Information Reporting Program-  
Bulletin Board System) - Part D**

**Bisynchronous filing**

**(Mainframe filing)**

**304-264-7080 - 4.8 Modems - Part C**

**304-264-7040 - 9.6 Modems - Part C**

**304-264-7045 - 14.4 Modems - Part C**

**304-267-3367 - TDD (Telecommunication Device for the Deaf)**

**304-264-5602 - Fax Machine**

(These are not toll-free telephone numbers.)

**TO OBTAIN FORMS:**

**1-800-TAX-FORM (1-800-829-3676)**

**304-264-7070 - IRP-BBS access to forms**

**<http://www.irs.ustreas.gov> - INTERNET access to forms**

**.05** The 1998 "Instructions for Forms 1099, 1098, 5498, and W-2G" have been included in the Publication 1220 for transmitter convenience. The Form 1096 is used only to transmit Copy A of **paper** Forms 1099, 1098, 5498, and W-2G. If filing paper returns, follow the mailing instructions on the Form 1096 and submit the paper returns to the appropriate IRS Service Center.

**.06** Requests for paper Forms 1096, 1098, 1099 and W-2G, and publications related to magnetic media/electronic filing should be made by calling the IRS toll-free number

## **1-800-TAX-FORM (1-800-829-3676).**

**.07** Questions pertaining to magnetic media filing of Forms W-2 **must** be directed to the Social Security Administration (SSA). Filers can call 1-800-SSA-1213 to obtain the phone number of the SSA Magnetic Media Coordinator for their area.

**.08** Payers **should not** contact IRS/MCC if they have received a penalty notice and need additional information, or are requesting an abatement of the penalty. A penalty notice contains an IRS representative's name and/or phone number for contact purposes; or, the payer may be instructed to respond in writing to the address provided. IRS/MCC does **not** issue penalty notices and does **not** have the authority to abate penalties. For penalty information, refer to the Penalty section of the 1998 "Instructions for Forms 1099, 1098, 5498, and W-2G."

**.09** A taxpayer or authorized representative may request a copy of a tax return, including Form W-2 filed with a return, by submitting Form 4506, Request for Copy or Transcript of Tax Form, to IRS. This form may be obtained by calling **1-800-TAX-FORM (1-800-829-3676)**.

**.10** The IRS Centralized Call Site answers both magnetic media and tax law questions relating to the filing of information returns (Forms 1096, 1098, 1099, 5498, 8027, W-2G, 1042-S, and W-4). The IRS/MCC Call Site answers tax law and paper filing related questions about Forms W-2 and W-3, as well as handling inquiries dealing with backup withholding due to missing and incorrect taxpayer identification numbers. The Call Site is located at IRS/MCC and operates in conjunction with the Information Reporting Program. The Call Site provides service to the payer community (financial institutions, employers, and other transmitters of information returns). Recipients of information returns (payees) should continue to contact 1-800-829-1040 or other numbers specified in the tax return instructions with any questions on how to report information on their tax returns.

The Call Site accepts calls from all areas of the country. The number to call is **304-263-8700** or Telecommunications Device for the Deaf (**TDD**) **304-267-3367**. These are toll calls. Hours of operation for the Call Site are Monday through Friday, 8:30 a.m. to 4:30 p.m. Eastern Time. The Call Site is in operation throughout the year to handle the questions of payers, transmitters, and employers. Due to the high demand for assistance at the end of January and February, it is advisable to call as soon as possible to avoid these peak filing seasons.

## **Sec. 4. Filing Requirements**

**.01** The regulations under section 6011(e)(2)(A) of the Internal Revenue Code provide that, any person, including a corporation, partnership, individual, estate, and trust, who is required to file 250 or more information returns must file such returns magnetically/electronically. **The 250\* or more requirement applies separately for each type of return and also to each type of corrected return.**

**\*Even though as many as 249 information returns may be submitted on paper to the Internal Revenue Service, IRS encourages filers to transmit information returns magnetically or electronically.**

**.02** All filing requirements that follow apply individually to each reporting entity as defined by its separate Taxpayer Identification Number (TIN) [Social Security Number (SSN), Employer Identification

Number (EIN), Individual Taxpayer Identification Number (ITIN), or Adoption Taxpayer Identification Number (ATIN)]. For example, if a corporation with several branches or locations uses the same EIN, the corporation must aggregate the total volume of returns to be filed for that EIN and apply the filing requirements to each type of return accordingly.

**.03** Payers who are required to submit their information returns on magnetic media may choose to submit their documents by electronic filing. Payers who submit their information returns electronically are considered to have satisfied the magnetic media filing requirements.

**.04** IRS/MCC has two methods by which payers may submit their files electronically. Bisynchronous (mainframe) electronic filing, which can be found in Part C of this publication, or Asynchronous (Information Reporting Program-Bulletin Board System), which is in Part D. An overview of some features provided on the IRP-BBS are as follows:

- Electronic filing of information returns to the IRS using dial-up modems
- Return notification of the acceptability of the data transmitted within 24 to 48 hours
- Electronic communication with IRS and SSA bulletin board systems
- Access to shareware
- Access to forms and publications relating to the Information Reporting Program
- News about the latest changes and updates that affect the Information Reporting Program at IRS
- Answers to messages and questions left on the bulletin board
- Available for public use and can be reached by dialing 304-264-7070
- IRP-BBS is accessible 24 hours a day, 7 days a week. Routine maintenance is performed daily, at approximately 7:00 a.m. Eastern Time.
- Questions, comments, or suggestions can be directed to the Systems Operator (SYSOP) through IRP-BBS.

**.05** The following requirements apply separately to both originals and corrections filed magnetically/electronically:

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1098	<b>250 or more of any</b> of these forms require magnetic media
1098-E	or electronic filing with IRS. These are stand alone documents and
1098-T*	are not to be aggregated for purposes of determining the
1099-A	250 threshold. For example, if you must file 100 Forms 1099-B and
1099-B	300 Forms 1099-INT, Forms 1099-B need not be filed
1099-C	magnetically or electronically since they do not meet the threshold
1099-DIV	of 250. However, Forms 1099-INT must be filed magnetically or
1099-G	electronically since they meet the threshold of 250.
1099-INT	
1099-LTC	
1099-MISC	
1099-MSA	
1099-OID	
1099-PATR	
1099-R	
1099-S	

\*For Tax Year 1998, Form 1098-T may be reported on paper regardless of the 250 threshold.

**.06** The above requirements do not apply if the payer establishes hardship (see Part A, Sec. 5).

## **Sec. 5. Form 8508, Request for Waiver From Filing Information Returns on Magnetic Media**

**.01** If a payer is required to file on magnetic media but fails to do so (or fails to file electronically, in lieu of magnetic media filing) and does not have an approved waiver on record, the payer will be subject to a penalty of \$50 per return in excess of 250. (For penalty information, refer to the Penalty section of the 1998 "Instructions for Forms 1099, 1098, 5498, and W-2G.")

**.02** If payers are required to file original or corrected returns on magnetic media, but such filing would create a hardship, they may request a waiver from these filing requirements by submitting Form 8508, Request for Waiver From Filing Information Returns on Magnetic Media, to IRS/MCC.

**.03** Even though a payer may submit as many as 249 corrections on paper, IRS encourages magnetically or electronically submitted corrections. Once the 250 threshold has been met, filers are required to submit any returns of 250 or more magnetically or electronically. However, if a waiver for original documents is approved, any corrections for the same type of returns will be covered under this waiver.

**.04** Generally, only the payer may sign the Form 8508. A transmitter may sign if given power of attorney; however, a letter signed by the payer stating this fact must be attached to the Form 8508.

**.05 A transmitter must submit a separate Form 8508 for each payer. Do not submit a list of payers.**

**.06** All information requested on the Form 8508 must be provided to IRS for the request to be processed.

**.07** The waiver, if approved, will provide exemption from magnetic media filing for the current tax year only. Payers may not apply for a waiver for more than one tax year at a time; application must be made each year a waiver is necessary.

**.08** Form 8508 may be photocopied or computer-generated as long as it contains all the information requested on the original form.

**.09** Filers are encouraged to submit Form 8508 to IRS/MCC at least 45 days before the due date of the returns.

**.10 File Form 8508 for the W-2 series of forms with IRS/MCC, not SSA.**

**.11** Waivers are evaluated on a case-by-case basis and are approved or denied based on criteria set forth in the regulations under section 6011(e) of the Internal Revenue Code. The transmitter must allow a minimum of 30 days for IRS/MCC to respond to a waiver request.

**.12** If a waiver request is approved, the transmitter should keep the approval letter on file. **The transmitter should not send a copy of the approved waiver to the service center where the paper returns are filed.**

**.13 An approved waiver from filing information returns on magnetic media does not provide exemption from all filing.** The payer must timely file information returns on acceptable paper forms with the appropriate service center.

**.14 Desert Storm/Operation Joint Guard (OJG) [See Note] (Bosnia Region) Contributions**  
- If a payer is required to file a Form 5498 magnetically/electronically, the payer may request an **automatic** waiver to file Forms 5498 on paper for participants of Desert Storm or Operation Joint Guard. The payer should clearly mark Desert Storm or Operation Joint Guard on the waiver request form.

**j Note: Military personnel under Operation Joint Guard (OJG) will be treated the same as military personnel under Operation Joint Endeavor (OJE) for purposes of Pub. L. 104-117 and Notice 96-34, 1996-1 C.B. 379.**

## **Sec. 6. Vendor List**

**.01** IRS/MCC prepares a list of vendors who support magnetic media or electronic filing. The Vendor List (Pub. 1582) contains the names of service bureaus that will produce files on the prescribed types of magnetic media or via electronic filing. It also contains the names of vendors who provide software packages for payers who wish to produce magnetic media or electronic files on their own computer systems. This list is compiled as a courtesy and in no way implies IRS/MCC approval or endorsement.

**.02 If filers meeting the filing requirements engage a service bureau to prepare media on their behalf, the filers should be careful not to report duplicate data, which may cause penalty notices to be generated.**

**.03** The Vendor List may be updated in print every other year. The most recently printed copy will be available by contacting IRS/MCC at (304) 263-8700 or by way of a letter (see Part A, Sec. 3). The copy of the Vendor List on the Information Reporting Program-Bulletin Board System is updated whenever changes or new information is received (Refer to Part D).

**.04** A vendor, who offers a software package, has the ability to produce magnetic media for customers, or has the capability to electronically file information returns, and would like to be included on the list, must submit a written request to IRS/MCC. The request should include:

- (a) Company name
- (b) Address (include city, state, and ZIP code)
- (c) Telephone number (include area code)
- (d) Contact person
- (e) Type(s) of service provided (e.g., service bureau and/or software)
- (f) Type(s) of media offered (e.g., magnetic tape or tape cartridge, 5 ¼- or 3 ½-inch diskettes, or electronic filing)
- (g) Type of return

## **Sec. 7. Form 4419, Application for Filing Information Returns Magnetically/Electronically**



**.01** Transmitters are required to submit Form 4419, Application for Filing Information Returns Magnetically/ Electronically, to request authorization to file information returns with IRS/MCC. A single Form 4419 should be filed no matter how many types of returns the transmitter will be submitting magnetically/ electronically. For example, if a transmitter plans to file Forms 1099-INT, one Form 4419 should be submitted. If, at a later date, another type of form (Forms 1098, 1099, 5498 and W-2G) is to be filed, the transmitter does not need to submit a new Form 4419.

### **EXCEPTIONS**

**An additional Form 4419 is required for filing each of the following types of returns:  
Forms 1042-S, 8027, and W-4.**

<b>FORM</b>	<b>TITLE</b>	<b>EXPLANATION</b>
1042-S	Foreign Person's U.S. Source Income Subject to Withholding	Payments subject to withholding under Chapter 3 of the Code, including interest, dividends, royalties, pensions and annuities, gambling winnings and compensation for personal services.
8027	Employer's Annual Information Return of Tip Income and Allocated Tips	Receipts from operations where tipping is customary. Used by the employer to report employee's tips or allocated tips.
W-4 (See <b>Note</b> )	Employee's Withholding Allowance Certificate	Forms received during the quarter from employees still quarter who claim the (a) More than 10 withholding allowances or (b) Exempt status and wages normally would be more than \$200 a week.

**Note: Employers are not required to send other Forms W-4 unless notified to do so by the IRS.**

**.02** Magnetic tape, tape cartridge, diskette, and electronically-filed returns may not be submitted to IRS/MCC until the application has been approved. Please read the instructions on the back of Form 4419 carefully. A Form 4419 is included in the Publication 1220 for the filer's use. This form may be photocopied. Additional forms may be obtained by calling **1-800-TAX-FORM (1-800-829-3676)**. The form is also available on **IRP-BBS at 304-264-7070** or on **Internet at <http://www.irs.ustreas.gov>**.

**.03** Upon approval, a five-character alpha/numeric Transmitter Control Code (TCC) will be assigned and included in an approval letter. The TCC **must** be coded in the Transmitter "T" Records. If a transmitter uses more than one TCC to file, each TCC must be reported on separate media or in separate transmissions if filing electronically.

**.04** Annually, a Publication 1220 containing the current revenue procedure, forms, and instructions will be sent to the attention of the contact person indicated on Form 4419.

**.05** If **any** of the information (name, TIN or address) on the Form 4419 changes, please notify IRS/MCC in writing so the IRS/MCC database can be updated. However, a change in the method by which information returns are being submitted is not information which needs to be updated (i.e., tape to disk, disk to BBS). The transmitter should include the TCC in all correspondence.

**.06** Form 4419 can be submitted any time during the year; however, it **must** be submitted to IRS/MCC at least 30 days before the due date of the return(s) for current year processing. **For documents to be filed electronically using IBM 3780 bisynchronous protocols, Form 4419 must be submitted at least 45 days prior to the due date of the returns (See Part C, Sec. 2).** This will allow IRS/MCC the minimum amount of time necessary to process and respond to applications. In the event that computer equipment or software is not compatible with IRS/MCC, a waiver may be requested to file returns on paper documents.

**.07** IRS/MCC encourages transmitters who file for multiple payers to submit one application and to use the assigned TCC for all payers.

**.08** If a payer's files are prepared by a service bureau, the payer may not need to submit an application to obtain a TCC. Some service bureaus will produce files, code their own TCC on the media, and send it to IRS/MCC for the payer. Other service bureaus will prepare magnetic media and return the media to the payer for submission to IRS/MCC. These service bureaus may require the payer to obtain a TCC to be coded in the Transmitter "T" Record. Payers should contact their service bureaus for further information.

**.09** Once a transmitter is approved to file magnetically or electronically, it is not necessary to reapply each year **unless**:

- (a) The payer has discontinued filing magnetically or electronically for two years; the payer's TCC may have been reassigned by IRS/MCC. Payers, who are aware that the TCC assigned will no longer be used, are requested to notify IRS/MCC so these numbers may be reassigned; **or**
- (b) The payer's magnetic media files were transmitted in the past by a service bureau using the service bureau's TCC, but now the payer has computer equipment compatible with that of IRS/MCC and wishes to prepare his or her own files. The payer must request a TCC by filing Form 4419.

**.10** One Form 4419 may be submitted regardless of how many types of media or methods are used to file the return. **Multiple TCCs will only be issued to payers with multiple TINs. Only one TCC will be issued per TIN unless the filer has checked the application for the following forms in addition to the Forms 1099; Form 1042-S, Form 8027, and/or Form W-4. A separate TCC will be assigned for each of these forms.**

**.11** In accordance with Regulations section 1.6041-7(b), payments by separate departments of a health care carrier to providers of medical and health care services may be reported on separate returns

on magnetic media. In this case, the headquarters will be considered the transmitter, and the individual departments of the company filing reports will be considered payers. A single Form 4419 covering all departments filing on magnetic media should be submitted. One TCC may be used for all departments.

**.12** Approval to file does not imply endorsement by IRS/MCC of any computer software or of the quality of tax preparation services provided by a service bureau or software vendor.

## **Sec. 8. Test Files**

**.01** IRS/MCC does not require test files, **except** for filers wishing to participate in the Combined Federal/State Filing Program (See Part A, Sec. 16, for further information concerning the Combined Federal/State Filing Program).

**.02** IRS/MCC encourages first-time magnetic media or electronic filers to submit a test. The test file must consist of a sample of each type of record:

- (a) Transmitter "T" Record (all fields marked required must include transmitter information)
  - (b) Payer "A" Record (must not be fictitious data)
  - (c) Multiple Payee "B" Records (**at least 11 "B" Records per each "A" Record**)
  - (d) End of Payer "C" Record
  - (e) State Totals "K" Record, if participating in the Combined Federal/State Filing Program
  - (f) End of Transmission "F" Record
- (See Part B for record formats.)

**.03** Use the Test Indicator "T" in Field Position 28 of the "T" Record to show this is a test file.

**.04** IRS/MCC will check the file to ensure it meets the specifications of this revenue procedure. For current filers, sending a test file will provide the opportunity to ensure their software reflects any programming changes. If unable to submit a magnetic or electronic test file, a hard copy printout that shows a sample of each record type (T, A, B, C, and F) may be submitted. **The hard copy print test is not acceptable for Combined Federal/State Filing approval.**

**.05** Tests should be sent to IRS/MCC between November 1 and December 15. The test file **must** be received at MCC by December 15 in order to be processed. Filers may begin submitting test tapes and diskettes after October 1; however, the data will not be processed until on or after November 1.

**.06** For tests filed electronically, the transmitter must send the signed Form 4804, Transmittal of Information Returns Reported Magnetically/Electronically, the same day the transmission is made. For tests filed on magnetic tape, tape cartridge, 8mm, 4mm, and quarter inch cartridge, 5 ¼- and 3 ½-inch diskette, the transmitter must include the signed Form 4804 in the same package with the corresponding magnetic media. Mark the "TEST" box in Block 1 on the form. Also, mark "TEST" on the external media label.

If submitting a hard copy printout, mark the printout as "TEST" and include name, telephone number, and address of a person who can be contacted to discuss its acceptability.

**.07** IRS/MCC will send a letter of acknowledgment to indicate the test results. Unacceptable magnetic media files, along with documentation identifying the errors, will be returned. Resubmission of test files must be received by IRS/MCC no later than December 15.

**.08** Successfully processed media will not be returned to filers.

## **Sec. 9. Filing of Information Returns Magnetically/Electronically and Retention Requirements**

**.01** Form 4804, Transmittal of Information Returns Reported Magnetically/Electronically, Form 4802, Transmittal of Information Returns Reported Magnetically/Electronically (Continuation), or a computer-generated substitute, must accompany **all** magnetic media shipments. For electronic transmissions, the Form 4804 and Form 4802, if applicable, must be sent the same day as the electronic transmission. Form 4802, Transmittal of Information Returns Reported Magnetically/Electronically (Continuation), is a continuation of Form 4804 and should only be used if the filer is reporting more than five types of returns and/or more than five payers. Form 4802 is not a stand-alone form; it can only accompany Form 4804.

**.02** IRS/MCC allows for the use of computer-generated substitutes for Form 4804/4802. The substitutes must contain all information requested on the original forms including the affidavit and signature line. Photocopies are acceptable but an original signature is required. **When using computer-generated forms, be sure to mark very clearly which tax year is being reported. This will eliminate a phone communication from IRS/MCC to question the tax year.**

**.03** A transmitter may report for any combination of payers and/or documents in a submission. Each file must begin with a "T" Record and end with an "F" record for the end of a transmission. For example, if reporting Forms 1099-INT for Bank A, Forms 1099-DIV for Bank B, and Forms 1098 for Bank C, three separate tapes or diskettes need not be created. All three banks and all types of documents can be coded within a file on one tape or diskette as long as each bank or type of return has a separate "A" Record. Multiple tapes or diskettes can be sent in one package. For each separate type of media, the first record on the file must be the Transmitter "T" Record. **A Form 4804, Transmittal of Information Returns Reported Magnetically/Electronically, must be submitted for every Transmitter "T" Record. Filers must include Form 4804, 4802, or computer-generated substitute with their shipment.**

**.04** Multiple types of media may be submitted in a shipment. However, submit a separate Form 4804 for each type of media.

**.05** Current and prior year data may be submitted in the same shipment; however, each tax year must be on separate media, and a separate Form 4804 must be prepared to clearly indicate each tax year.

**.06** Filers who have prepared their information returns in advance of the due date are encouraged to submit this information to IRS/MCC no earlier than January 1 of the year the return is due.

**.07 Do not report duplicate information. If a filer submits returns magnetically/electronically, identical paper documents must not be filed. This may result in erroneous penalty notices.**

**.08** Form 4804 may be signed by the payer or the transmitter, service bureau, paying agent, or disbursing agent (all hereafter referred to as agent), on behalf of the payer. **Failure to sign the affidavit on Form 4804 may delay processing or could result in the files being returned unprocessed.** An agent may sign the Form 4804 if the agent has the authority to sign the affidavit under an agency agreement (either oral, written, or implied) that is valid under state law and adds the caption "FOR: (name of payer)."

**.09** Although an authorized agent may sign the affidavit, the payer is responsible for the accuracy of the Form 4804 and the returns filed. The payer will be liable for penalties for failure to comply with filing requirements.

**.10 A self-adhesive external media label, created by the filer, must be affixed to each tape and diskette. (IRS no longer provides self-adhesive labels for this purpose.)** For instructions on how to prepare an external media label, refer to Notice 210 in the forms section. If diskettes are used, and the operating system is not MS-DOS compatible, the operating system and hardware information **must** be provided. Failure to provide this information may result in the diskettes being returned to the filer.

**.11** On the outside of the shipping container, affix or attach a label which reads IRB Box \_\_\_\_ of \_\_\_\_ reflecting the number of containers in the shipment. (Filers can create a label with this information or cut out one of the labels on the special label page provided in this publication.) If there is only one container, mark the outside as Box 1 of 1. For multiple containers, include the sequence for example, Box 1 of 3, 2 of 3, 3 of 3).

**.12** When submitting files include the following:

- (a) A **signed** Form 4804;
- (b) Form 4802, if applicable;
- (c) External media label (created by filer) affixed to magnetic media;
- (d) IRB Box \_\_\_\_ of \_\_\_\_ outside label.

**; Note: See Parts C and D for Electronic Submission Requirements.**

**.13** If returns from different locations (using the same name and TIN) are submitted on the same file, IRS encourages the filer to consolidate each type of information return under one "A" Record. For example, all "B" Records for the same type of return should be together under one "A" Record and followed by the End of Payer "C" Record.

**.14** IRS/MCC will not pay for or accept "Cash-on-Delivery" or "Charge to IRS" shipments of tax information that an individual or organization is legally required to submit.

**.15** Payers should retain a copy of the information returns filed with IRS or have the ability to reconstruct the data for at least 3 years from the reporting due date, with the exception of Form 1099-C. A financial entity must retain a copy of Form 1099-C, Cancellation of Debt, or have the ability to reconstruct the data required to be included on the return, for at least 4 years from the date such return is required to be filed. Whenever backup withholding is imposed, a 4 year retention is required.

## **Sec. 10. Due Dates**

As a result of due dates for Tax Year 1998 falling on weekends in 1999, the information returns, the recipient copies, and the participant copies will be treated as timely if filed or furnished on or before the following dates:

**Forms 1098, 1099 and W-2G**

Recipient Copy - February 1, 1999  
IRS Copy - March 1, 1999

**Forms 5498 and 5498-MSA**

Participant Copy - June 1, 1999  
IRS Copy - June 1, 1999

(Participants Copy Form 5498-for fair market value of account and for Education IRA  
Contributions- February 1, 1999)

**.01** The due dates for filing paper returns with IRS also apply to magnetic media or electronic filing. Filing of information returns is on a calendar year basis, except for Forms 5498 and 5498-MSA, which are used to report amounts contributed during or after the calendar year (but not later than April 15).

**.02** If any due date falls on a Saturday, Sunday or legal holiday, the return or statement is considered timely if filed or furnished on the next business day (i.e., the next day that is not a Saturday, Sunday, or legal holiday).

**.03** Information returns filed magnetically/electronically for Forms 1098, 1099, and W-2G must be submitted to IRS/MCC postmarked on or before March 1, 1999.

**.04** Returns postmarked by the United States Postal Service (USPS) on or before March 1, 1999, and delivered by United States mail to the IRS/MCC after the due date, are treated as timely under the "timely mailing as timely filing " rule. A similar rule applies to items delivered by private delivery services (PDSs) designated by the IRS. A PDS must be designated by the IRS before it will qualify for the timely mailing rule. Designation is determined with respect to each type of delivery service offered by a PDS (e.g., next day delivery, two day delivery, etc.). Notices 97-26, 1997-1 C.B. 413 and 97-50, 1997-37 I.R.B. 21 provide the list of designated PDSs and the types of delivery services designated. Designation is effective until the IRS issues a revised list of designated PDSs. Notice 97-26 also provides rules for determining the date that is treated as the postmark date. For items delivered by a non-designated PDS, the actual date of receipt by IRS/MCC will be used as the filing date. For items delivered by a designated PDS, but through a type of service not designated in Notice 97-26 and Notice 97-50, the actual date of receipt by IRS/MCC will be used as the filing date. The timely mailing rule also applies to furnishing statements to recipients and participants and filing Forms 5498 and 5498-MSA.

**.05** Statements to recipients must be furnished on or before February 1, 1999 for TY98. Form 5498 statements to the participants must be furnished on or before February 1, 1999 for TY98 for the fair market value of the account and for contributions to an education IRA and by June 1, 1999 for TY98 for contributions made to all other types of IRAs for the prior calendar year.

**.06** Forms 5498 and 5498-MSA filed magnetically or electronically must be filed with IRS/MCC on or before June 1, 1999 for TY98. Forms 5498 and 5498-MSA are filed for contributions to be applied to 1998 that are made January 1, 1998 through April 15, 1999 and/or to report the fair market value of any IRA/SEP/SIMPLE or medical savings account.

**.07** Use this revenue procedure to prepare information returns filed magnetically or electronically beginning January 1, 1999 and received by IRS/MCC no later than December 15, 1999.

## Sec. 11. Extensions of Time

**.01** An extension of time to file may be requested for Forms 1099, 1098, 5498, 5498-MSA, W-2G, W-2 series of forms, and 1042-S.

**.02** Form 8809, Request for Extension of Time To File Information Returns, should be submitted to IRS/MCC at the addresses listed later in this section. This form may be used to request an extension of time to file information returns submitted on paper, magnetically or electronically.

**.03** Requesting an extension of time for multiple payers (50 or less) may be done by submitting Form 8809 and attaching a list of the payer names and their TINs (EIN or SSN). **The listing must be attached to ensure that the extension is recorded for all payers.** Form 8809 may be computer-generated or photocopied. Be sure that all the pertinent information is included.

**.04** Requests for an extension of time to file for more than 50 payers are required to be submitted magnetically or electronically. Requests for an extension of time for 10 to 50 payers are encouraged to be filed magnetically or electronically. (See Part E, Sec. 3, for the record format.) The request may be filed on tape, tape cartridge, 5 ¼- or 3 ½-inch diskette, or electronically through the IRP-BBS or mainframe.

**.05** If a filer does not have an IRS/MCC assigned Transmitter Control Code (TCC), a Form 4419, Application for Filing Information Returns Magnetically/Electronically, **must** be submitted to obtain a TCC. This number must be used to submit an extension request magnetically/electronically.

**.06** All magnetically filed requests for an extension of time should be sent using the following addresses:

If by Postal Service:       §  
IRS-Martinsburg Computing Center  
Information Reporting Program  
**Attn: Extension of Time Coordinator**  
P. O. Box 879  
Kearneysville, WV 25430

If by truck or air freight: ¶  
IRS-Martinsburg Computing Center  
Information Reporting Program  
**Attn: Extension of Time Coordinator**  
Route 9 and Needy Road  
Martinsburg, WV 25401

**.07** Requests for extensions of time for multiple payers will be responded to with one approval letter, accompanied by a list of payers covered under that approval.

**.08 As soon as it is apparent** that a 30-day extension of time to file is needed, Form 8809 may be submitted. It will take a minimum of 30 days for IRS/MCC to respond to an extension request. Under certain circumstances, a request for an extension of time could be denied. When a denial letter is received, any additional or necessary information may be resubmitted within 20 days.

**.09** If an additional extension of time is needed, a second Form 8809 must be filed by the initial extended due date. Check line 7 on the form to indicate that an additional extension is being requested. A second 30-day extension will be approved only in cases of extreme hardship or catastrophic event. **If requesting a second 30-day extension of time, submit the information return files as soon as prepared. Do not wait for MCC's response to your second extension request.**

**.10** Form 8809 must be postmarked no later than the due date of the return for which an extension is requested. If requesting an extension of time to file several types of forms, use one Form 8809, but the Form 8809 must be postmarked no later than the earliest due date. For example, if requesting an extension of time to file both Forms 1099-INT and 5498, submit Form 8809 postmarked on or before March 1, 1999. Complete more than one Form 8809 to avoid this problem.

**.11** If an extension request is approved, the approval letter should be kept on file. The approval letter or copy of the approval letter for an extension of time should not be sent to IRS/MCC with the magnetic media file or to the service center where the paper returns are filed.

**.12** Request an extension for only one tax year.

**.13** The extension request must be signed by the payer or a person who is duly authorized to sign a return, statement or other document for the payer.

**.14** Failure to properly complete and sign the Form 8809 may cause delays in processing the request or result in a denial. Carefully read and follow the instructions on the back of the Form 8809.

**.15** Form 8809 may be obtained by calling **1-800-TAX-FORM (1-800-829-3676)**. The form is also available on **IRP-BBS at 304-264-7070** or on **Internet at <http://www.irs.ustreas.gov>**. A copy of the Form 8809 is also provided in the back of the Publication 1220.

**.16** Request an extension of time to furnish the statements to recipients of Forms 1098, 1099, 5498, W-2G, W-2 series of forms, and 1042-S by submitting a letter to IRS/MCC containing the following information:

- (a) Payer name
- (b) TIN
- (c) Address
- (d) Type of return
- (e) Specify that the extension request is to provide statements to recipients.
- (f) Reason for delay
- (g) Signature of payer or person duly authorized

Requests for an extension of time to furnish the statements for Forms 1098, 1099, 5498, W-2G, W-2 series of forms, and 1042-S to recipients are not automatically approved; however, if approved, generally an extension will allow a maximum of 30 additional days from the due date to furnish the statements to the recipients. The request must be postmarked by the date on which the statements are due to the recipients.

## **Sec. 12. Processing of Information Returns Magnetically/Electronically**

**.01** All data received at IRS/MCC for processing will be given the same protection as individual income tax returns (Form 1040). IRS/MCC will process the data and determine if the records are formatted and coded according to this revenue procedure.



**.02** If the data is formatted incorrectly, the file will be returned for replacement accompanied with a Media Tracking Slip (Form 9267). When media is returned, it is because IRS/MCC encountered errors (not limited to format) and was unable to process the media, therefore, requiring a replacement. Open all packages immediately.

**.03** Files must be corrected and returned with the Media Tracking Slip (Form 9267) to IRS/MCC within 45 days from the date of the letter IRS/MCC included with the returned files. A penalty for failure to file correct information returns by the due date will be assessed if the files are not corrected and returned within the 45 days **or if the incorrect files are returned by IRS/MCC for replacement more than two times**. A penalty for intentional disregard of filing requirements will be assessed if a replacement file is not received. (For penalty information, refer to the Penalty section of the 1998 "Instructions for Forms 1099, 1098, 5498, and W-2G.")

**.04** Sample records identifying errors encountered will be provided with the returned media. It is the responsibility of the transmitter to check the entire file for similar errors.

**.05** The following definitions have been provided to help distinguish between a correction and a replacement:

- A **correction** is an information return submitted by the transmitter to correct an information return that was previously submitted to and processed by IRS/MCC, but contained erroneous information.
- A **replacement** is an information return file that IRS/MCC has returned to the transmitter due to errors encountered during processing. After necessary changes have been made, the file must be returned for processing along with the Media Tracking Slip (Form 9267) which was included in the shipment from IRS/MCC.
- **Filers should never send anything to IRS/MCC marked "Replacement" unless IRS/MCC returned media to them.**

**.06** IRS/MCC will not return media after successful processing. Therefore, if the transmitter wants proof that IRS/MCC received a shipment, the transmitter should select a service with tracking capabilities or one that will provide proof of delivery.

**.07** IRS/MCC will work with filers as much as possible to assist with processing problems. **If the filer is contacted by IRS/MCC, a prompt response is important. IRS/MCC may have information that the filer needs to correct his or her file.**

**.08** IRS/MCC contacts payers who have submitted payee data with missing TINs in an attempt to prevent errors that could result in penalties. Payers who submit data with missing TINs and have taken the required steps to obtain this information are encouraged to attach a letter of explanation to the required Form 4804. This will prevent unnecessary contact from IRS/MCC. This letter, however, will not prevent backup withholding notices (CP2100 or CP2100A Notices) or penalties for missing or incorrect TINs.

**.09** Do not use special shipping containers for transmitting data to IRS/MCC. Shipping containers will not be returned.

## **Sec. 13. Corrected Returns**

**.01** The magnetic media filing requirement of information returns of 250 or more applies separately to both original and corrected returns.

          If a payer has 100 Forms 1099-A to be corrected, they can be  
E      filed on paper since they fall under the 250 threshold. However,  
X      if the payer has 300 Forms 1099-B to be corrected, they must be  
A      filed magnetically or electronically since they meet the 250 threshold.  
M      If for some reason a payer cannot file the 300 corrections on magnetic  
P      media, to avoid penalties, a request for a waiver must be submitted before  
L      filing on paper. If a waiver is approved for original documents, any corrections  
E      for the same type of return will be covered under this waiver.

**.02** Corrections should be filed **as soon as possible**. Corrections filed after August 1 may be subject to the maximum penalty of \$50 per return. Corrections filed by to August 1 may be subject to a lesser penalty. (For information on penalties, refer to the Penalty section of the 1998 "Instructions for Forms 1099, 1098, 5498, and W-2G.") However, if payers discover errors after August 1, they may still be required to file corrections so they will not be subject to a penalty for intentional disregard of the filing requirements. Failure to correct information returns may result in penalties for failure to provide correct information. **All fields must be completed with the correct information, not just the data fields needing correction.** Submit corrections only for the returns filed in error, not the entire file. Furnish corrected statements to recipients as soon as possible.

**.03** There are numerous types of errors, and in some cases, more than one transaction may be required to correct the initial error. **If the original return was filed as an aggregate, the filers must consider this in filing corrected returns.**

**.04** Corrected returns may be included on the same medium as original returns; however, separate "A" Records are required. Corrected returns must be identified on the Form 4804 and the external media label by indicating "Correction." **If filers discover that certain information returns were omitted on their original file, they must not code these documents as corrections. The file must be coded and submitted as originals.**

**.05** If a payer discovers errors for prior years that affect a large number of payees, in addition to sending IRS the corrected returns and notifying the payees, a letter containing the following information should be sent to IRS/MCC:

- (a) Name and address of payer
- (b) Type of error (please explain clearly)
- (c) Tax year
- (d) Payer TIN
- (e) TCC
- (f) Type of Return
- (g) Number of Payees

This information will be forwarded to the appropriate office in an attempt to prevent erroneous notices from being sent to the payees. The correction must be submitted on an actual information return

document or filed magnetically/electronically. Provide the correct tax year in Block 2 of the Form 4804 and on the external media label.

**.06** Prior year data, original and corrected, **must** be filed according to the requirements of this revenue procedure. If submitting prior year corrections, use the record format for the current year and submit on separate media. However, use the actual year designation of the correction in Field Positions 2-5. If filing electronically, a separate transmission must be made for each tax year.

**.07** In general, filers should submit corrections for returns filed within the last 3 calendar years (4 years if the payment is a reportable payment subject to backup withholding under section 3406 of the Code).

**.08** All paper returns, whether original or corrected, must be filed with the appropriate service center.

**.09** Form 4804 and Form 4802 (if applicable), must be submitted with corrected files submitted magnetically or electronically.

**.10** The "B" Record provides a 20-position field for the Payer's Account Number for the Payee. This number will help identify the appropriate incorrect return if more than one return is filed for a particular payee. **Do not enter a TIN in this field.** A payer's account number for the payee may be a checking account number, savings account number, serial number, or any other number assigned to the payee by the payer that will distinguish the specific account. This number should appear on the initial return and on the corrected return in order to identify and process the correction properly.

**.11** The record sequence for filing corrections is the same as for original returns.

**.12** Review the chart that follows. Errors normally fall under one of the two categories listed. Next to each type of error made is a list of instructions on how to file the corrected return.

### Guidelines for Filing Corrected Returns Magnetically/ Electronically

Error Made on the Original Return	How To File the Corrected Return
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**Two (2) separate transactions are required to make the following corrections properly. Follow the directions for both Transactions 1 and 2. (See Note 1)**

1. Original return was filed with one or more of the following errors:
  - (a) No payee TIN (SSN, ITIN, ATIN, or EIN)
  - (b) Incorrect payee TIN
  - (c) Incorrect payee name
  - (d) Wrong type of return indicator

#### **Transaction 1:** Identify incorrect returns

- A.** Prepare a new Form 4804/4802 that includes information related to this new file..
- B.** Mark "Correction" in Block 1 of Form 4804.
- C.** Prepare a new file. The first record on the file will be the Transmitter "T" Record.
- D.** Make a separate "A" Record for each type of return and each payer being reported. The information in the "A" record will be **exactly** the same as it was in the original submission with

one exception, the Correction File Indicator must be set to "1" (one) in Field Position 50.

- E.** The Payee "B" Records must contain **exactly the same** information as submitted previously, except, insert a Corrected Return Indicator Code of "G" in Field Position 6 of the "B" Records, and for all payment amounts, enter "0" (zero).
- F.** Corrected returns submitted to IRS/MCC using "G" coded "B" Records may be on the same file as those returns submitted with a "C" code; **however, separate "A" Records are required.**
- G.** Prepare a separate "C" Record for each type of return and each payer being reported.
- H.** Continue with Transaction 2 to complete the correction.

#### **Guidelines for Filing Corrected Returns Magnetically/ Electronically (Continued)**

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Error Made on the Original Return

How To File the Corrected Return

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#### **Transaction 2: Report the correct information**

- A.** Make a separate "A" Record for each type of return and each payer being reported. The Correction File Indicator must be set to "1" (one) in Field Position 50.
- B.** The Payee "B" Records must show the correct information as well as a Corrected Return Indicator Code of "C" in Field Position 6.
- C.** Corrected returns submitted to IRS/MCC using "C" coded "B" Records may be on the same file as those returns submitted with a "G" Codes; **however, separate "A" Records are required.**
- D.** Prepare a separate "C" Record for each type of return and each payer being reported.
- E.** The last record on the file will be the End of Transmission "F" Record.
- F.** Indicate "Correction" on the external media label.

**† Note 1: Payers who can show they have reasonable cause (defined in the regulations under section 6724 of the Internal Revenue Code) are not required to make corrections for returns filed**

with a missing or incorrect name and/or TIN. These payers should change their records in order to submit correct information in the future. Payers who cannot show reasonable cause are encouraged to make corrections for the current processing year by August 1 to reduce applicable penalties. Corrections filed by August 1 will reduce the \$50 per return penalty for filing returns with missing or incorrect information to \$30. The penalty is further reduced to \$15 per return if the corrections are filed within 30 days of the due date. (For penalty information, refer to the Penalty section of the 1998 "Instructions for Forms 1099, 1098, 5498, and W-2G.") Corrections filed after August 1 will not reduce the penalty but will allow IRS to update the payee's records. The regulations for IRC section 6724 are available in Publication 1586, Reasonable Cause Regulations and Requirements for Missing and Incorrect Name/TINs. The publication may be obtained by calling 1-800-TAX-FORM (1-800-829-3676).

One transaction is required to make the following corrections properly (See Note 2).

#### **Guidelines for Filing Corrected Returns Magnetically/Electronically (Continued)**

Error Made on the Original Return	How To File the Corrected Return
<p>2. Original return was filed with one or more of the following errors:</p> <ul style="list-style-type: none"> <li>(a) Incorrect payment amount codes in the Payer "A" Record</li> <li>(b) Incorrect payment amounts in the Payee "B" Record</li> <li>(c) Incorrect code in the document specific/distribution code field in the Payee "B" Record</li> <li>(d) Incorrect payee address</li> <li>(e) Direct sales indicator</li> </ul>	<ul style="list-style-type: none"> <li>A. Prepare a new Form 4804/4802 that includes information relating to this new file.</li> <li>B. Mark "Correction" in Block 1 of Form 4804.</li> <li>C. Prepare a new file. The first record on the file will be the Transmitter "T" Record.</li> <li>D. Make a separate "A" Record for each type of return and each payer being reported. Information in the "A" Record may be the same as it was in the original submission. The Correction File Indicator must be set to "1" (one) in Field Position 50.</li> <li>E. The Payee "B" Records must show the correct information as well as a Corrected Return Indicator Code of "G" in Field Position 6.</li> <li>F. Corrected returns submitted to IRS/MCC using "G" coded "B" Records may be on the same file as those returns submitted without the "G" code; <b>however, separate "A" Records are required.</b></li> <li>G. Prepare a separate "C" Record for each type of return and each payer being reported.</li> </ul>

- H. The last record on the file will be the End of Transmission "F" Record.
- I. Indicate "Correction" on the external media label.

**Note 2:** If a filer is correcting the name and/or TIN in addition to any errors listed in item 2 of the chart, two transactions will be required. If a filer is reporting "G" coded, "C" coded, and/or "Non-coded" (original) returns on the same media, each category must be reported under separate "A" records.

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## Sec. 14. Taxpayer Identification Number (TIN)

**.01** Section 6109 of the Internal Revenue Code requires a person to furnish his/her TIN to the person obligated to file the information return.

**.02** The payee's TIN and name combination is used to associate information returns reported to IRS/MCC with corresponding information on tax returns. It is imperative that **correct** Taxpayer Identification Numbers (TINs) for payees be provided to IRS/MCC. **Do not enter hyphens or alpha characters.** Entering all zeros, ones, twos, etc., will have the effect of an incorrect TIN.

**.03** The payer and payee names with associated TINs should be consistent with the names and TINs used on other tax returns.

Also, the name and TIN provided must belong to the owner of the account. If the account is recorded in more than one name, furnish the name and TIN of one of the owners of the account. The TIN provided **must** be associated with the name of the payee provided in the first name line of the "B" Record. For individuals, the payee TIN is generally the payee's Social Security Number (SSN). For other entities, the payee TIN is the payee's Employer Identification Number (EIN). The payee TIN may also refer to an Individual Taxpayer Identification Number (ITIN) or Adoption Taxpayer Identification Number (ATIN). For sole proprietors, the payee TIN may be either an SSN or EIN but **the sole proprietor's name** (not the business name) **must be used on the first name line.**

**.04** Failure to provide the correct name and corresponding TIN could result in a penalty and/or backup withholding notice (sometimes referred to as a "B" notice). (For penalty information, refer to the Penalty section of the 1998 "Instructions for Forms 1099, 1098, 5498, and W-2G." For "B" Notice information, refer to the Backup Withholding section of the same publication.)

**.05** The following charts will help payers determine the TIN to be furnished to IRS/MCC for those persons for whom they are reporting information (payees).

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**Chart 1. Guidelines for Social Security Numbers**

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In the Taxpayer  
Identification  
Number Field of  
the Payee "B"

In the First Payee  
Name Line of the

For this type of account-	Record, enter the SSN of-	Payee "B" Record, enter the name of-
<b>1. Individual</b>	The individual	The individual
<b>2. Joint account (Two or more individuals, including husband and wife)</b>	The actual owner of the account or, if combined funds, the first individual on the account.	The individual whose SSN is entered
<b>3. Custodian account of a minor (Uniform Gift, or Transfers, to Minors Act)</b>	The minor	The minor
<b>4. The usual revocable savings trust account (grantor is also trustee)</b>	The grantor-trustee	The grantor-trustee
<b>5. A so-called trust account that is not a legal or valid trust under state law</b>	The actual owner	The actual owner
<b>6. Sole proprietorship</b>	The owner (An SSN or EIN)	The owner, not the business name (The filer may enter the business name on the second name line.)

**Chart 2. Guidelines for Employer Identification Numbers**

For this type of account-	In the Taxpayer Identification Number Field of the Payee "B" Record, enter the EIN of-	In the First Payee Name Line of the Payee "B" Record, enter the name of-
<b>1. A valid trust, estate, or pension trust</b>	The legal entity <sup>1</sup>	The legal trust, estate, or pension trust

<b>2.</b> Corporate	The corporation	The corporation
<b>3.</b> Association, club, religious, charitable, educational, or other tax-exempt organization	The organization	The organization
<b>4.</b> Partnership account held in the name of the business	The partnership	The partnership
<b>5.</b> A broker or registered nominee/middleman	The broker or nominee/middleman	The broker or nominee/middleman
<b>6.</b> Account with	The public entity	The public entity

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**Chart 2. Guidelines for Employer Identification Numbers (Continued)**

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Department of Agriculture in the name of a public entity (such as a state or local government, school district, or prison), that receives agriculture program payments

<b>7.</b> Sole proprietorship	The business (An EIN or SSN)	The owner, not the business name (The filer may enter the business name on the second name line.)
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<sup>1</sup> Do not furnish the identification number of the personal representative or trustee unless the name of the representative or trustee is used in the account title.

## **Sec. 15. Effect on Paper Returns and Statements to Recipients**

**.01** Magnetic/electronic reporting of information returns eliminates the need to submit paper documents to the IRS. **CAUTION! Do not send Copy A of the paper forms to IRS/MCC in**



**addition to magnetic media and electronic filing.** This will result in duplicate filing; therefore, erroneous notices could be generated.

**.02** Payers are responsible for providing statements to the payees as outlined in the 1998 "Instructions for Forms 1099, 1098, 5498, and W-2G." Refer to these instructions for filing information returns on paper with the IRS and furnishing statements to recipients.

**.03** Statements to recipients should be clear and legible. If the official IRS form is not used, the filer must adhere to the specifications and guidelines in Publication 1179, "Rules and Specifications for Private Printing of Substitute Forms 1096, 1098, 1099, 5498, and W-2G."

## **Sec. 16. Combined Federal/State Filing Program**

**.01** The Combined Federal/State Filing Program was established to simplify information returns filing for the taxpayer. IRS/MCC will forward this information to participating states free of charge for approved filers. Separate reporting to those states is not necessary. The following information returns may be filed under the Combined Federal/State Filing Program:

Form 1099-DIV---	Dividends and Distributions
Form 1099-G-----	Certain Government Payments
Form 1099-INT---	Interest Income
Form 1099-MISC-	Miscellaneous Income
Form 1099-OID---	Original Issue Discount
Form 1099-PATR-	Taxable Distributions Received from Cooperatives
Form 1099-R-----	Distributions from Pensions, Annuities, Retirement or Profit-Sharing Plans, IRAs, Insurance Contracts, etc.
Form 5498-----	IRA Contribution Information

The following information returns **may not** be filed under this program:

Form 1098-----	Mortgage Interest Statement
Form 1098-E-----	Student Loan Interest Statement
Form 1098-T-----	Tuition Payments Statement
Form 1099-A-----	Acquisition or Abandonment of Secured Property
Form 1099-B-----	Proceeds From Broker and Barter Exchange Transactions
Form 1099-C-----	Cancellation of Debt
Form 1099-LTC--	Long-Term Care and Accelerated Death Benefits
Form 1099-MSA-	Distributions From Medical Savings Accounts
Form 1099-S-----	Proceeds From Real Estate Transactions
Form 5498-MSA-	Medical Savings Account Information
Form W-2G -----	Certain Gambling Winnings

**.02** To request approval to participate, a magnetic media or electronic test file coded for this program **must** be submitted to IRS/MCC between November 1 and December 15. **Hard copy print tests are not acceptable** for Combined Federal/State Filing approval.

**.03** Attach a letter to the Form 4804 submitted with the test file to indicate a desire to participate in this program.

**.04** A test file is only required for the first year. Each record, both in the test and the actual data file, must conform to this revenue procedure.

**.05** If the test file is acceptable, IRS/MCC will send the filer an approval letter, and a Form 6847, Consent for Internal Revenue Service to Release Tax Information, which the payer **must** complete, sign, and return to IRS/MCC before any tax information can be released to the state. Filers must write their TCC on Form 6847.

**.06** If the test file is not acceptable, IRS/MCC will return the media with a letter indicating the problems. The replacement test file must be returned to IRS/MCC postmarked on or before December 15.

**.07** A separate Form 6847 is **required** for each payer. A transmitter may not combine payers on one Form 6847 even if acting as Attorney-in-Fact for several payers. Form 6847 may be computer-generated as long as it includes all information that is on the original form or it may be photocopied. If the Form 6847 is signed by an Attorney-in-Fact, the written consent from the payer must clearly indicate that the Attorney-in-Fact is empowered to authorize release of the information.

**.08** Only code the records for participating states and for those payers who have submitted Form 6847.

**.09** Some participating states require separate notification that the payer is filing in this manner. Since IRS/MCC acts as a forwarding agent only, **it is the payer's responsibility to contact the appropriate states for further information.**

**.10** All corrections properly coded for the Combined Federal/State Filing Program will be forwarded to the participating states.

**.11** Participating states and corresponding valid state codes are listed in **Table 1** of this section. The appropriate state code **must** be entered for those documents that meet the state filing requirements; **do not use state abbreviations.**

**.12** To simplify filing, some of the participating states have provided their information return reporting requirements (see **Table 2**). **Each state's filing requirements are subject to change by the state. It is the payer's responsibility to contact the participating states to verify the criteria provided in this table.**

**.13** Upon submission of the actual files, the transmitter must be sure of the following:

- (a) All records should be coded exactly as required by this revenue procedure.
  - (b) The "C" Record **must be** followed by a State Totals "K" Record for each state being reported.
  - (c) Payment amount totals and the valid participating state code must be included in the State Totals "K" Record.
  - (d) The last "K" Record **must be** followed by an "A" Record or an End of Transmission "F" Record (if this is the last record of the entire file).
-

**Table 1. Participating States And Their Codes**

State	Code	State	Code	State	Code
Alabama	01	Idaho	16	Montana	30
Arizona	04	Indiana	18	New Jersey	34
Arkansas	05	Iowa	19	New Mexico	35
California	06	Kansas	20	North Dakota	38
Delaware	10	Maine	23	Oregon	41
District of Columbia	11	Massachusetts	25	South Carolina	45
Georgia	13	Mississippi	28	Tennessee	47
Hawaii	15	Missouri	29	Wisconsin	55

**Table 2. Dollar Criteria For State Reporting**

STATE	1099- DIV	1099- G	1099- INT	1099 MISC	1099- OID	1099- PATR	1099- R	5498
Alabama	\$1500	\$ NR	\$1500	\$1500	\$1500	\$1500	\$1500	NR
Arkansas	100	2500	100	2500	2500	2500	2500	<sup>a</sup>
District of Columbia <sup>b</sup>	600	600	600	600	600	600	600	NR
Hawaii	10	<sup>a</sup>	10	600	10	10	600	<sup>a</sup>
Idaho	NR	NR	NR	600	NR	NR	<sup>a</sup>	<sup>a</sup>
Iowa	10	10	10	600	10	10	10	<sup>a</sup>
Mississippi	600	600	600	600	600	600	600	NR
Missouri	NR	NR	NR	1200 <sup>c</sup>	NR	NR	NR	NR
Montana	10	10	10	600	10	10	600	<sup>a</sup>
New Jersey	1000	1000	1000	1000	1000	1000	1000	NR
Tennessee	100	NR	100	NR	NR	NR	NR	NR
Wisconsin	NR	NR	NR	600	NR	NR	600	NR

The preceding list is for information purposes only. The state filing requirements are subject to change by the states. For complete information on state filing requirements, contact the appropriate state tax agencies.

Filing requirements for states in TABLE 1 not shown in TABLE 2 are the same as the federal requirement.

NR = No filing requirement.

Footnotes:

- a. All amounts are to be reported.
- b. Amounts are for aggregates of several types of income from the same payer.
- c. Missouri would prefer those returns filed with respect to non-Missouri residents to be sent directly to its state agency.

## Sec. 17. Definition of Terms

<i>Element</i>	<i>Description</i>
Asynchronous Protocols	This type of data transmission is most often used by microcomputers, PCs and some minicomputers. Asynchronous transmissions transfer data at arbitrary time intervals using the start-stop method. Each character transmitted has its own start bit and stop bit.
ATIN	A temporary taxpayer identification number assigned to a child who has been placed by an authorized placement agency in the household of a prospective adoptive parent prior to adoption. When the adoption becomes final, the adoptive parent must apply for a social security number for the child.
b	Denotes a blank position. Enter blank(s) when this symbol is used (do not enter the letter "b"). This appears in numerous areas throughout the record descriptions.
Bisynchronous Protocols	For purposes of this publication, these are electronic transmissions made using IBM 3780 protocols. These transmissions must be in EBCDIC character code and use the Bell 208B (4800bps), AT&T 2296A (9600bps) or Hayes OPTIMA 288 V.FC Smartmodem (14400bps) modems. Standard IBM 3780 space compression is acceptable.
Correction	A correction is an information return submitted by the transmitter to correct an information return that was previously submitted to and processed by IRS/MCC, but contained erroneous information.

j **Note: A correction should not be confused with a replacement. Only media returned to the filer by IRS/MCC due to processing problems should be marked replacement.**

***Element******Description***

CUSIP Number

A number developed by the Committee on Uniform Security Identification Procedures to serve as a common denominator in communications among users for security transactions and security information.

Employer Identification  
Number (EIN)

A nine-digit number assigned by IRS for federal tax reporting purposes.

Electronic Filing

Submission of information returns using switched telecommunications network circuits. These transmissions use modems, dial-up phone lines, and asynchronous or bisynchronous protocols. See Parts A, C, and D of this publication for specific information on electronic filing.

File

For purposes of this revenue procedure, a file consists of one Transmitter "T" Record at the beginning of the file, followed by a Payer "A" Record, Payee "B" Records, and an End of Payer "C" Record after each set of "B" Records. The last record on the file will be the End of Transmission "F" Record. Nothing should be reported after the End of Transmission "F" Record.

Filer

Person (may be payer and/or transmitter) submitting information returns to IRS.

Filing Year

The actual year in which the information returns are being

Golden Parachute  
Payment

A payment made by a corporation to a certain officer, shareholder, or highly compensated individual when a change in the ownership or control of the corporation occurs or when a change in the ownership of a substantial part of the corporate assets occurs.

Incorrect Taxpayer  
Identification Number  
(Incorrect TIN)

A TIN may be incorrect for several reasons:

- (a) The payee provided a wrong number or name (e.g., the payee is listed as the only owner of an account but provided someone else's TIN).
- (b) A processing error (e.g., the number or name was typed incorrectly).
- (c) The payee's status changed (e.g., a payee name change was not conveyed to the IRS or SSA so they could enter the change in their records).

***Element***

Individual Taxpayer  
Identification Number  
(ITIN)

***Description***

A nine digit number issued by IRS to individuals who are required to have a U.S. taxpayer identification number but are not eligible to obtain a Social Security Number (SSN).

Information Return

The vehicle for submitting required information about another person to IRS. Information returns are filed by financial institutions and by others who make certain types of payments as part of their trade or business. The information required to be reported on an information return includes interest, dividends, pensions, nonemployee compensation for personal services, stock transactions, sales of real estate, mortgage interest, and other types of information. For this revenue procedure, an information return is a Form 1098, 1098-E, 1098-T, 1099-A, 1099-B, 1099-C, 1099-DIV, 1099-G, 1099-INT, 1099-LTC, 1099-MISC, 1099-MSA, 1099-OID, 1099-PATR, 1099-R, 1099-S, 5498, 5498-MSA or W-2G.

Magnetic Media

For this revenue procedure, the term "magnetic media" refers to 1/2-inch magnetic tape; IBM 3480/3490/3490E or AS400 compatible tape cartridge; 8mm, 4mm, and QIC (Quarter Inch Cartridges) cartridge or 5 1/4- and 3 1/2-inch diskette.

Media Tracking Slip  
(Form 9267)

Form 9267 accompanies media that IRS/MCC has returned to the filer for replacement due to incorrect format or errors encountered when trying to process the media. **This must be returned with the replacement file.**

Missing Taxpayer  
Identification Number  
(Missing TIN)

The payee TIN on an information return is "missing" if:

- (a) there is no entry in the TIN field,
- (b) includes one or more alpha characters (a character or symbol other than an Arabic number) as one of the nine digits, OR
- (c) payee TIN has less than nine digits

PS 58 Costs

The current cost of life insurance under a qualified plan taxable under section 72(m) and section 1.72-16(b) of the Income Tax Regulations. (See Part B, Sec. 10, Payee "B" Record, Document Specific/Distribution Code, Category of Distribution, Code 9.)

Payee

Person or organization receiving payments from the payer, or for whom an information return must be filed. The payee includes a student (Form 1098-T), borrower (Forms 1098, 1098-E, and 1099-A), a debtor (Form 1099-C), a policyholder or insured (Form

*Element**Description*

	1099-LTC), any IRA/SEP/SIMPLE plan participant (Form 5498), and a gambling winner (Form W-2G). For Form 1099-S, the payee is the seller or other transferor.
Payer	Includes the person making payments, a recipient of mortgage interest payments, a recipient of student loan interest payments, a broker, a person reporting a real estate transaction, a barter exchange, a creditor, a trustee or issuer of any IRA/SEP/SIMPLE, or a lender who acquires an interest in secured property or who has reason to know that the property has been abandoned. The payer will be held responsible for the completeness, accuracy, and timely submission of magnetic media files.
Replacement	A replacement is an information return file that IRS/MCC has returned to the transmitter due to errors encountered during processing.
; <b>Note:</b> Filers should never submit media to IRS/MCC marked "Replacement" unless IRS/MCC returned media to the filers. When sending "Replacement" media, be sure to include the Media Tracking Slip (Form 9267) which will accompany media returned by IRS/MCC. <b>Media that has been incorrectly marked as Replacement may result in duplicate filing.</b>	
Service Bureau	Person or organization with whom the payer has a contract to prepare and/or submit information return files to IRS/MCC. A parent company submitting data for a subsidiary is not considered a service bureau.
Social Security Number (SSN)	A nine-digit number assigned by SSA to an individual for wage and tax reporting purposes.
Special Character	Any character that is <b>not</b> a numeric, an alpha, or a blank.
SSA	Social Security Administration.
Taxpayer Identification Number (TIN)	Refers to either an Employer Identification Number (EIN), Social Security Number (SSN), Individual Taxpayer Identification Number (ITIN), or Adoption Taxpayer Identification Number (ATIN).

<i><b>Element</b></i>	<i><b>Description</b></i>
Tax Year	Generally, the year in which payments were made by a payer to a payee.
Transfer Agent	The transfer agent, or paying agent, is the entity who has been contracted or authorized by the payer to perform the services of paying and reporting backup withholding (Form 945).
Transmitter	Refers to the person or organization submitting file(s) magnetically/electronically. The transmitter may be the payer or agent of the payer.
Transmitter Control Code (TCC)	A five character alpha/numeric number assigned by IRS/MCC to the transmitter prior to actual filing magnetically or electronically. This number is inserted in the "T" Record of the files and <b>must</b> be present before the file can be processed. An application Form 4419 must be filed with IRS/MCC to receive this number.
Vendor	Vendors include service bureaus that produce information return files on the prescribed types of magnetic media or via electronic filing for payers. Vendors also include companies who provide software for payers who wish to produce their own media or electronic files.

## **Sec. 18. State Abbreviations**

**.01** The following state and U.S. territory abbreviations are to be used when developing the state code portion of address fields. This table provides state and territory abbreviations only, and does not represent those states participating in the Combined Federal/State Filing Program.

<b>State</b>	<b>Code</b>	<b>State</b>	<b>Code</b>	<b>State</b>	<b>Code</b>
Alabama	AL	Kentucky	KY	Ohio	OH
Alaska	AK	Louisiana	LA	Oklahoma	OK
American Samoa	AS	Maine	ME	Oregon	OR
Arizona	AZ	Marshall Islands	MH	Pennsylvania	PA
Arkansas	AR	Maryland	MD	Puerto Rico	PR
California	CA	Massachusetts	MA	Rhode Island	RI
Colorado	CO	Michigan	MI	South Carolina	SC
Connecticut	CT	Minnesota	MN	South Dakota	SD
Delaware	DE	Mississippi	MS	Tennessee	TN



State	Code	State	Code	State	Code
District of Columbia	DC	Missouri	MO	Texas	TX
Federated States of Micronesia	FM	Montana	MT	Utah	UT
Florida	FL	Nebraska	NE	Vermont	VT
Georgia	GA	Nevada	NV	Virginia	VA
Guam	GU	New Hampshire	NH	Virgin Islands*	VI
Hawaii	HI	New Jersey	NJ	Washington	WA
Idaho	ID	New Mexico	NM	West Virginia	WV
Illinois	IL	New York	NY	Wisconsin	WI
Indiana	IN	North Carolina	NC	Wyoming	WY
Iowa	IA	North Dakota	ND		
Kansas	KS	Northern Mariana Islands	MP		

\*This abbreviation applies to the United States Virgin Islands.

**.02** Filers must adhere to the city, state, and ZIP code format for U. S. addresses in the "B" Record. This also includes American Samoa, Federated States of Micronesia, Guam, Marshall Islands, Northern Mariana Islands, Puerto Rico, and the U. S. Virgin Islands.

**.03** For foreign country addresses, filers may use a 51 position free format which should include city, province or state, postal code, and name of country in this order. This is allowable only if a "1" (one) appears in the Foreign Country Indicator, Field Position 247 of the "B" Record.

**.04** When reporting APO/FPO addresses use the following format:

**EXAMPLE:**

Payee Name	PVT Willard J. Doe
Mailing Address	Company F, PSC Box 100 167 Infantry REGT
Payee City	APO (or FPO)
Payee State	AE, AA, or AP*
Payee ZIP Code	098010100

\*AE is the designation for ZIPs beginning with 090-098, AA for ZIP 340, and AP for ZIPs 962-966.

## Sec. 19. Major Problems Encountered

IRS/MCC encourages filers to verify the format and content of each type of record to ensure the accuracy of the data. This may eliminate the need for IRS/MCC to return files for

**Filers who engage a service bureau to prepare media on their behalf should be careful not to report duplicate data which may generate penalty notices.**

# 1. No Form 4804, Transmittal of Information Returns Reported Magnetically/Electronically

## 2. Discrepancy between IRS/MCC totals and totals in Payer "C" Records

### 3. The Payment Amount Fields in the "B" Record do not correspond to the Amount Codes in the "A" Record

EXAMPLE: "A" RECORD    247bbbbbbbbb --- (b' denotes a  
                               (Pos. 28-39)          blank)

"B" RECORD    000000867599 --- (Payment Amount 2)  
(Pos. 67-78)

000000709097 --- (Payment Amount 4)  
(Pos. 91-102)

000000044985 --- (Payment Amount 7)  
(Pos. 127-138)

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#### **4. Blanks or invalid characters appear in Payment Amount Fields in the "B" Record**

Money amounts must be right-justified and zero (0) filled. **Do not use blanks.**

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#### **5. Incorrect TIN in Payer "A" Record**

The Payer's TIN reported in positions 12-20 of the "A" Record must be nine numeric characters (no alphas or special characters) in order for IRS/MCC to process the media. The TIN provided in the "A" Record must correspond with the name provided in the first payer name line.

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#### **6. Bad Format**

**NOTE: Due to major format changes in the record expansion and layout, IRS/MCC strongly encourages transmitters, vendors, and filers to read the Revenue Procedure in its entirety.**

IRS/MCC receives data in prior year format. Be sure to use **the current revenue procedure (Publication 1220)** for formatting data.

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#### **7. Incorrect tax year in the Transmitter "T" Record, Payer "A" Record and the Payee "B" Record**

The tax year in the transmitter, payer and payee records should reflect the year of the information being reported. Filers need to check their files to ensure this information is correct.

**Due to Year 2000 compliance changes, the year format has expanded to four (4) positions.**

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#### **8. Incorrect reporting of Form W-2 information to IRS**

Form W-2 information is submitted to SSA, and **not** to IRS/MCC. SSA has its own magnetic media reporting program and specifications for wage information, and the media containing Forms W-2 is submitted to SSA. Any media received at IRS/MCC that contains Form W-2 information will be returned to the filer. To inquire about filing Form W-2 information magnetically, call 1-800-SSA-1213.

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#### **9. Excessive withholding credits**

Generally, for most information returns, other than Forms 1099-G, 1099-MISC, 1099-R, and W-2G, Federal withholding amounts should **not** exceed 31 percent of the income reported. Validate the total reported in the withholding field against the total income reported.

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#### **10. Incorrect format for TINs in the Payee "B" Record**

A check of "B" records should be made to ensure the Taxpayer Identification Numbers (TINs) are formatted correctly. There should be nine numerics, **no alphas, hyphens, commas, or blanks**. Incorrect formatting of TINs may result in a penalty.

IRS/MCC contacts filers who have submitted payee data with missing TINs in an attempt to prevent errors that could result in penalties. Payers/transmitters who submit data with missing TINs, and have taken the required steps to obtain this information are encouraged to attach a letter of explanation to the required Form 4804. This will prevent unnecessary contact from IRS/MCC. This letter, however, will not prevent backup withholding notices (CP2100 and CP2100A Notices) or penalties for missing or incorrect TINs. For penalty information, refer to the Penalty section of the 1998 "Instructions for Forms 1099, 1098, 5498, and W-2G."

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#### **11. Distribution Codes for Form 1099-R reported incorrectly**

Distribution codes for Form 1099-R are being reported incorrectly or not being reported. See valid distribution codes for Form 1099-R in the Payee "B" Record layout.

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#### **12. Incorrect Record Totals Listed on Form 4804**

The Combined Total Payee Records listed on the Form 4804 (Block 9) are used in the verification process of information returns. The figure in this block should be the total number of Payee "B" Records contained on the media submitted with the Form 4804. The figures on the Form 4804 are compared against the total number of Payee "B" Records processed on the media. Imbalances may necessitate the return of the files for replacement.

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#### **13. Invalid Use of IRA/SEP/SIMPLE Indicator (Form 1099-R)**

The IRA/SEP/SIMPLE Indicator for Form 1099-R should be used only for the reporting of a distribution from a traditional IRA/SEP/SIMPLE. The total amount distributed from a traditional IRA/SEP/SIMPLE should be reported in Payment Amount Field A (IRA/SEP/SIMPLE Distribution).

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#### **14. Distribution Codes used incorrectly in conjunction with the IRA/SEP/SIMPLE Indicator. (Form 1099-R)**

When reporting Form 1099-R information, Distribution Codes G and H **MAY NOT** be used in positions 545-546 of the "B" Record if the IRA/SEP/SIMPLE Indicator (1) is present in position 548 of the "B" Record. This will cause media to be returned.

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**15. Failure to identify the rollover contributions and/or fair market value of the account for Form 5498.**

Rollovers contributions (Amount Code 2 of the "A" Record) and/or fair market value of the account (Amount Code 4 of the "A" Record) for Form 5498 must be identified as an IRA (position 547 of the "B" Record), SEP (position 548 of the "B" Record), SIMPLE (position 549 of the "B" Record), Roth IRA (position 550 of the "B" Record) Roth Conversion (position 551 of the "B" Record), or Education IRA (position 552 of the "B" Record).

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**16. Media received without data.**

Before media is shipped, transmitters/filers should verify the presence of Form 1099 information returns on the media before sending the shipment to IRS/MCC.

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**Part B. Magnetic Media Specifications**

**Sec. 1. General**

**.01** The specifications contained in this part of the revenue procedure define the required format and contents of the records to be included in the magnetic media/electronic file.

**.02** A provision is made in the "B" Records for entries which are optional. If the field is not utilized, enter blanks to maintain a fixed record length of 750 positions. Each field description explains the intended use of specific field positions.

**.03** Transmitters should be consistent in the use of recording codes and density on files. If the media does not meet these specifications, it will be returned to the transmitter for replacement. Filers are encouraged to submit a test prior to submitting the actual file. Contact IRS/MCC for further information at 304-263-8700.

**Sec. 2. Tape Specifications**

**.01** IRS/MCC can process most magnetic tape files if the following specifications are followed:

- (a) 9 track EBCDIC (Extended Binary Coded Decimal Interchange Code) with:
  - (1) Odd parity.
  - (2) A density of 1600 or 6250 CPI.
  - (3) If transmitters use UNISYS Series 1100, they must submit an interchange tape.
- (b) 9 track ASCII (American Standard Coded Information Interchange) with:

- (1) Odd parity.
- (2) A density of 1600 or 6250 CPI.

Transmitters should be consistent in the use of recording codes and density on files.

**.02** All compatible tape files must have the following characteristics: Type of tape - ½-inch (12.7 mm) wide, computer-grade magnetic tape on reels of up to 2,400 feet (731.52 m) within the following specifications:

- (a) Tape thickness: 1.0 or 1.5 mils and
- (b) Reel diameter: 10 ½-inch (26.67 cm), 8 ½-inch (21.59 cm), 7-inch (17.78 cm), or 6-inch.

**.03** The tape records defined in this revenue procedure may be blocked subject to the following:

- (a) A block **must not** exceed 32,250 tape positions.
- (b) If the use of blocked records would result in a short block, all remaining positions of the block must be filled with 9s; however, the last block of the file may be filled with 9s or truncated. **Do not pad a block with blanks.**
- (c) All records, except the header and trailer labels, may be blocked or unblocked. A record may not contain any control fields or block descriptor fields which describe the length of the block or the logical records within the block. The number of logical records within a block (the blocking factor) must be constant in every block with the exception of the last block which may be shorter (see item (b) above). The block length must be evenly divisible by 750.
- (d) Records may not span blocks.

**.04** Labeled or unlabeled tapes may be submitted.

**.05** For the purposes of this revenue procedure the following must be used:

Tape Mark:

- (a) Signifies the physical end of the recording on tape.
- (b) For even parity, use BCD configuration 001111 (8421).
- (c) May follow the header label and precede and/or follow the trailer label.

**.06** IRS/MCC can only read one data file on a tape. A data file is a group of records which may or may not begin with a tapemark, but **must** end with a trailer label. Any data beyond the trailer label cannot be read by IRS programs.

### Sec. 3. Tape Cartridge Specifications

**.01** In most instances, IRS/MCC can process tape cartridges that meet the following specifications:

- (a) Must be IBM 3480, 3490, 3490E, or AS400 compatible.
- (b) Must meet American National Standard Institute (ANSI) standards, and have the following characteristics:
  - (1) Tape cartridges will be ½-inch tape contained in plastic cartridges which are approximately 4-inches by 5-inches by 1-inch in dimension.
  - (2) Magnetic tape will be chromium dioxide particle based ½-inch tape.

- (3) Cartridges must be 18-track or 36-track parallel (See **Note**).
- (4) Cartridges will contain 37,871 CPI or 75,742 CPI (characters per inch).
- (5) Mode will be full function.
- (6) The data may be compressed using EDRC (Memorex) or IDRC (IBM) compression.
- (7) Either EBCDIC (Extended Binary Coded Decimal Interchange Code) or ASCII (American Standard Coded Information Interchange) may be used.

**.02** The tape cartridge records defined in this revenue procedure may be blocked subject to the following:

- (a) A block **must not** exceed 32,250 tape positions.
- (b) If the use of blocked records would result in a short block, all remaining positions of the block must be filled with 9s; however, the last block of the file may be filled with 9s or truncated. **Do not pad a block with blanks.**
- (c) All records, except the header and trailer labels, may be blocked or unblocked. A record may not contain any control fields or block descriptor fields which describe the length of the block or the logical records within the block. The number of logical records within a block (the blocking factor) must be constant in every block with the exception of the last block which may be shorter (see item (b) above). The block length must be evenly divisible by 750.
- (d) Records may not span blocks.

**.03** Tape cartridges may be labeled or unlabeled.

**.04** For the purposes of this revenue procedure, the following must be used:

Tape Mark:

- (a) Signifies the physical end of the recording on tape.
- (b) For even parity, use BCD configuration 001111 (8421).
- (c) May follow the header label and precede and/or follow the trailer label.

**j Note: Filers should indicate on the external media label and transmittal Form 4804 whether the cartridge is 36-track or 18-track.**

## **Sec. 4. 8mm, 4mm, and Quarter Inch Cartridge Specifications**

**.01** In most instances, IRS/MCC can process 8mm tape cartridges that meet the following specifications:

- (a) Must meet American National Standard Institute (ANSI) standards, and have the following characteristics:
  - (1) Created from an AS400 operating system only.
  - (2) 8mm (.315-inch) tape cartridges will be 2 1/2-inch by 3 3/4-inch.
  - (3) The 8mm tape cartridges must meet the following specifications:

Tracks	Density	Capacity
1	20 (43245 BPI)	2.5 Gb (10Gb)

- (4) Mode will be full function.
- (5) Compressed data is not acceptable.
- (6) Either EBCDIC (Extended Binary Coded Decimal Interchange Code) or ASCII (American Standard Coded Information Interchange) may be used. However, IRS/MCC encourages the use of EBCDIC. This information must appear on the external media label affixed to the cartridge.
- (7) A file may consist of more than one cartridge; however, no more than 250,000 documents may be transmitted per file or per cartridge. The filename, for example; IRSTAX, will contain a three digit extension. The extension will indicate the sequence of the cartridge within the file (e.g. 1 of 3, 2 of 3, and 3 of 3 and would appear in the header label IRSTAX.001, IRSTAX.002, and IRSTAX.003 on each cartridge of the file.) **The end of transmission "F" Record should be placed only on the last cartridge for files containing multiple cartridges.**

**.02** The 8mm (.315-inch) tape cartridge records defined in this revenue procedure may be blocked subject to the following:

- (a) A block **must not** exceed 32,250 tape positions.
- (b) If the use of blocked records would result in a short block, all remaining positions of the block must be filled with 9's; however, the last block of the file may be filled with 9's or truncated. **Do not pad a block with blanks.**
- (c) All records, except the header and trailer labels, may be blocked or unblocked. A record may not contain any control fields or block descriptor fields which describe the length of the block or the logical records within the block. The number of logical records within a block (the blocking factor) must be constant in every block with the exception of the last block which may be shorter (see item (b) above). The block length must be evenly divisible by 750.
- (d) Various COPY commands have been successful; however, the SAVE OBJECT
- (e) Extraneous data following the "F" record will result in media being returned for replacement.
- (f) Records may not span blocks.
- (g) No more than 250,000 documents per cartridge and per file.

**.03** For faster processing, IRS/MCC encourages transmitters to use header labeled cartridges. IRSTAX may be used as a suggested filename.

**.04** For the purposes of this revenue procedure, the following must be used:

Tape Mark:

- (a) Signifies the physical end of the recording on tape.
- (b) For even parity, use BCD configuration 001111 (8421).
- (c) May follow the header label and precede and/or follow the trailer label.

**.05** If extraneous data follows the End of Transmission "F" Record, the file will be returned for replacement. Therefore, IRS/MCC encourages transmitters to use blank tape



cartridges, rather than cartridges previously used, in the preparation of data when submitting information returns.

**.06** IRS/MCC can only read one data file on a tape. A data file is a group of records which may or may not begin with a tapemark, but must end with a trailer label. Any data beyond the trailer label cannot be read by IRS programs.

**.07** 4mm (.157-inch) cassettes are now acceptable with the following specifications:

- (a) 4 mm cassettes will be 2 ¼-inch by 3-inch.
- (b) The tracks are 1 (one).
- (c) The density is 19 (61000 BPI).
- (d) The typical capacity is DDS (DAT data storage) at 1.3 Gb or 2 Gb, or DDS-2 at
- (e) The general specifications for 8mm cartridges will also apply to the 4 mm

**.08** Various Quarter Inch Cartridges (QIC) (¼-inch) are also acceptable.

- (a) QIC cartridges will be 4" by 6".
- (b) QIC cartridges must meet the following specifications:

Size	Tracks	Density	Capacity
QIC-11	4/5	4 (8000 BPI)	22Mb or 30Mb
QIC-24	8/9	5 (8000 BPI)	45Mb or 60Mb
QIC-120	15	15 (10000 BPI)	120Mb or 200Mb
QIC-150	18	16 (10000 BPI)	150Mb or 250Mb
QIC-320	26	17 (16000 BPI)	320Mb
QIC-525	26	17 (16000 BPI)	525Mb
QIC-1000	30	21 (36000 BPI)	1Gb
QIC-1350	30	18 (51667 BPI)	1.3Gb
QIC-2Gb	42	34 (40640 BPI)	2Gb

- (c) The general specifications that apply to 8mm cartridges will also apply to QIC

## **Sec. 5. 5 ¼ -inch And 3 ½ -inch Diskette Specifications**

**IRS-MCC will discontinue processing 5 ¼ inch diskettes in the future. Filers who use 5 ¼ inch diskettes are encouraged to explore other methods by which to submit information returns magnetically/electronically.**

**.01** To be compatible, a diskette file must meet the following specifications:

- (a) 5 ¼- or 3 ½-inches in diameter.
- (b) IRS recommends data be recorded in standard ASCII code. However, if data is recorded using EBCDIC, a 5 ¼-inch diskette must be used and a 1024 byte sector would be valid for System 36 or AS400.  
The following command should be used to format the diskette into a 1024 byte sector:

**INIT IRSTAX,,FORMAT2**

The save commands are as follows:

- (1) The save command for System 36 is SAVE.
- (2) The save command for AS400 is SAF36F.
- (c) Records must be a fixed length of 750 bytes per record.
- (d) Delimiter character commas (,) must not be used.
- (e) Positions 749 and 750 of each record have been reserved for use as carriage
- (f) Filename of IRSTAX must be used. Do not enter any other data in this field. If a file will consist of more than one diskette, the filename IRSTAX will contain a three-digit extension. This extension will indicate the sequence of the diskettes within the file. For example, if the file consists of three diskettes, the first diskette will be named IRSTAX.001, the second will be IRSTAX.002, and the third will be IRSTAX.003. The first diskette, IRSTAX.001 will begin with a "T" Record and the third diskette, IRSTAX.003 will have an "F" Record at the end of the file.
- (g) A diskette will not contain multiple files. (See Part A, Section 17 for definition
- (h) Failure to comply with instructions will result in media being returned for replacement.
- (i) Diskettes must meet one of the following specifications:

Capacity	Tracks	Sides/Density	Sector Size
1.44 mb	96tpi	hd	512
1.44 mb	135tpi	hd	512
1.2 mb	96tpi	hd	512

**.02** IRS/MCC encourages transmitters to use blank or currently formatted diskettes when preparing files. If extraneous data follows the End of Transmission "F" Record, the file will be returned for replacement.

**.03** IRS/MCC prefers that 5 ¼- and 3 ½-inch diskettes be created using MS-DOS; however, diskettes created using other operating systems may be acceptable (See **Notes**). IRS/MCC has equipment that can convert diskettes created under most operating systems to the appropriate MS-DOS format. IRS/MCC strongly recommends that transmitters submit a test file for 5 ¼- and 3 ½-inch diskettes, especially if their data was not created using MS-DOS.

**Notes: IRS/MCC will discontinue processing 5 ¼- inch diskettes in the future.**

**IRS will discontinue processing non-MS-DOS compatible diskettes in the future.**

**3 ½ -inch diskettes created on a System 36 or AS400 are not acceptable.**

**.04** Transmitters should check media for viruses before submitting it to IRS/MCC.

## Sec. 6. Transmitter "T" Record - General Field Descriptions

**.01** The Transmitter "T" Record identifies the entity transmitting the magnetic media/electronic file and contains information which is supplied on the Form 4804, Transmittal of Information Returns Magnetically/Electronically. The "T" Record has been created to facilitate current magnetic/ electronic processing of information returns at IRS/MCC with an eventual goal of paperless filing.

**.02** The Transmitter "T" Record is the first record on each file and is followed by a Payer "A" Record. See Part A, Sec. 17, Definition of Terms for the definition of file. A file will be returned to the transmitter for replacement if the "T" Record is not present. For transmitters with multiple diskettes, refer to Sec. 5. 5 ¼ -inch and 3 ½ - inch Diskette Specifications.

**.03** The Transmitter "T" Record requires the total number of Payees ("B" Records) being reported. No money or payment amounts are reported in the Transmitter "T" Record.

**.04** For all fields marked "**Required**", the transmitter must provide the information described under Description and Remarks. For those fields not marked "**Required**", a transmitter must allow for the field, but may be instructed to enter blanks or zeros in the indicated field position(s) and for the indicated length.

**.05 All records must be a fixed length of 750 positions.**

**.06** The Transmitter "T" Record must be followed by the Payer "A" Record, which must be followed with Payee "B" Records; however, the initial record on each file must be a Transmitter "T" Record.

**.07** All alpha characters entered in the "T" Record must be upper-case.

**.08** When transmitting information on magnetic media or electronically, the Transmitter "T" Record must precede the first Payer "A" Record and reflect the person actually transmitting the information to IRS/MCC.

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### Record Name: Transmitter "T" Record

Field Position	Field Title	Length	Description and Remarks
1	Record Type	1	<b>Required.</b> Enter "T."
2-5	Payment Year	4	<b>Required.</b> Enter "1998" (unless reporting prior year data; see field position 6).
6	Prior Year Data Indicator	1	<b>Required.</b> Enter "P" <b>only</b> if reporting prior year data; otherwise, <b>enter blank</b> .
7-15	Transmitter's TIN	9	<b>Required.</b> Enter the transmitter's nine digit Tax Identification Number. May be an EIN or SSN.

## Record Name: Transmitter "T" Record

Field			
Position	Field Title	Length	Description and Remarks
16-20	Transmitter Control Code	5	<b>Required.</b> Enter the five character alpha/numeric Transmitter Control Code (TCC) assigned by IRS/MCC. A TCC must be obtained to file data within this program.
21-22	Replacement Alpha Character	2	<b>Required for replacement files only.</b> Enter the alpha/numeric character which appears immediately following the TCC number on the Media Tracking Slip (Form 9267). The Form 9267 accompanies media that has been returned by IRS/MCC due to processing problems. This field must be blank unless media has been returned. If the file is being replaced magnetically, information is required in this field. If the file was originally sent magnetically, but the replacement is being sent electronically, the information is required in this field. Otherwise, leave blank for electronic files. Left justify information and fill unused positions with blanks. If this is not a replacement file, <b>enter blanks.</b>
23-27	Blank	5	<b>Enter blanks.</b>
28	Test File Indicator	1	<b>Required for test files only.</b> Enter "T" if this is a test file, otherwise <b>enter a blank.</b>
29	Foreign Entity Indicator	1	Enter a "1" (one) if the transmitter is a foreign entity. If the transmitter is not a foreign entity, <b>enter a blank.</b>
30-69	Transmitter Name	40	<b>Required.</b> Enter the name of the transmitter in the manner in which it is used in normal business. Left justify and fill unused positions with blanks.
70-109	Transmitter Name (Continuation)	40	Enter any additional information that may be part of the name. Left justify information and fill unused positions with blanks.

**NOTE: All the information "Required" in Field Positions 110 thru 280 MUST contain the address information where media, which IRS/MCC was unable to process is to be returned. Any correspondence relating to problem media or electronic files will also be sent to this address.**

**Record Name: Transmitter "T" Record (Continued)**

Field Position	Field Title	Length	Description and Remarks
110-149	Company Name	40	<b>Required.</b> Enter the name of the company to be associated with the address where correspondence should be sent or media should be returned due to processing problems.
150-189	Company Name (Continuation)	40	Enter any additional information that may be part of of the name of the company where correspondence should be sent or media should be returned due to processing problems.
190-229	Company Mailing Address	40	<b>Required.</b> Enter the mailing address where correspondence should be sent or media should be returned in the event IRS/MCC is unable to process.
230-269	Company City	40	<b>Required.</b> Enter the city, town, or post office where correspondence should be sent or media should be returned in the event IRS/MCC is unable to process.
270-271	Company State	2	<b>Required.</b> Enter the valid U. S. Postal Service state abbreviation for states. Refer to the chart of valid state codes in Part A, Sec.18.
272-280	Company ZIP Code	9	<b>Required.</b> Enter the valid nine digit ZIP Code assigned by the U. S. Postal Service. If only the first five digits are known, left justify information and fill unused positions with blanks
281-295	Blank	15	<b>Enter blanks.</b>
296-303	Total Number of Payees	8	<b>Required.</b> Enter the total number of Payee "B" Records reported in the file. Right justify information and fill unused positions with zeros.

304-343	Contact Name	40	<b>Required.</b> Enter the name of the person to be
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### Record Name: Transmitter "T" Record (Continued)

Field Position	Field Title	Length	Description and Remarks
344-358	Contact's Phone Number & Extension	15	<b>Required.</b> Enter the telephone number of the person to contact regarding magnetic/electronic files. Omit hyphens. If no extension is available, left justify information and fill unused positions with blanks. For example, the IRS/MCC Call Site phone number of 304-263-8700 with an extension of 52345 would be 304263870052345.
359-360	Magnetic Tape File Indicator	2	<b>Required for magnetic tape/tape cartridge filer only.</b> Enter the letters "LS" (in uppercase only). Use of this field by filers using other types of media will be acceptable but is not required.
361-375	Electronic File Name	15	<b>Required</b> for an original or correction electronic file which was incorrect and a replacement is being sent, blanks. Do not enter the replacement filename. Otherwise, <b>enter blanks.</b>
376-748	Blank	373	<b>Enter blanks.</b>
749-750	Blank	2	<b>Enter blanks,</b> or carriage return/line feed (CR/LF) characters.

### Sec. 7. Transmitter "T" Record - Record Layout

Record Type	Payment Year	Prior Year Data Indicator	Transmitter's TIN	Transmitter Control Code	Replacement Alpha Character	Blank
1	2-5	6	7-15	16-20	21-22	23-27

## Transmitter "T" Record - Record Layout (Continued)

Test File Indicator	Foreign Entity Indicator	Transmitter Name	Transmitter Name (Continuation)	Company Name	Company Name (Continuation)
28	29	30-69	70-109	110-149	150-189

Company Mailing Address	Company City	Company State	Company ZIP Code	Blank	Total Number of Payees	Contact Name
190-229	230-269	270-271	272-280	281-295	296-303	304-343

Contact's Phone Number & Extension	Magnetic Tape File Indicator	Electronic File Name	Blank	Blank or CR/LF
344-358	359-360	361-375	376-748	749-750

## Sec. 8. Payer "A" Record - General Field Descriptions

**.01** The Payer "A" Record identifies the institution or person making payments, a recipient of mortgage interest payments, a broker, a person reporting a real estate transaction, a barter exchange, a creditor, a trustee, or issuer of an IRA, SEP, or SIMPLE, or a lender who acquires an interest in secured property or who has reason to know that the property has been abandoned. The payer will be held responsible for the completeness, accuracy, and timely submission of magnetic media files. The Payer "A" record also provides parameters for the succeeding Payee "B" Records. IRS computer programs rely on the absolute relationship between the parameters and data fields in the "A" Record and the data fields in the "B" Records to which they apply.

**.02** The number of "A" Records depends on the number of payers and the different types of returns being reported. The payment amounts for one payer and for one type of return should be consolidated under one "A" Record if submitted on the same file.

**.03** Do not submit separate "A" Records for each payment amount being reported. For example, if a payer is filing Form 1099-DIV to report Amount Codes 1, 2, and 3, all three amount codes should be reported under one "A" Record, not three separate "A" Records. For "B" Records that do not contain payment amounts for all three amount codes, enter zeros for those which have no payment to be reported.

**.04** The second record on the file must be an "A" Record. A transmitter may include "B" Records for more than one payer on a tape or diskette. However, **each group** of "B" Records must be preceded by an "A" Record and followed by an End of Payer "C" Record. A single tape

or diskette may contain different types of returns but the types of returns **must not** be intermingled. A separate "A" Record is required for each payer and each type of return being reported.

**.05 All records must be a fixed length of 750 positions.**

**.06** An "A" Record may be blocked with "B" Records; however, the initial record on a file must be a "T" Record followed by an "A" Record. IRS/MCC will accept an "A" Record after a "C" Record.

**.07** Do not begin any record at the end of a block or diskette and continue the same record into the next block or diskette.

**.08** All alpha characters entered in the "A" Record must be upper-case.

**.09** When filing Form 1098, Mortgage Interest Statement, and Form 1098-E, Student Loan Interest Statement, the "A" Record will reflect the name of the recipient of the interest referred to as the payer in these instructions. The "B" Record will reflect the individual paying the interest (borrower/payer of record) and the amount paid.

**.10** For all fields marked **“Required”**, the transmitter must provide the information described under Description and Remarks. For those fields not marked **“Required”**, a transmitter must allow for the field, but may be instructed to enter blanks or zeros in the indicated media position(s) and for the indicated length.

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### Record Name: Payer "A" Record

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Field Position	Field Title	Length	Description and Remarks
1	Record Type	1	<b>Required.</b> Enter "A."
2-5	Payment Year	4	<b>Required.</b> Enter "1998" (unless reporting prior year data).
6-11	Blank	6	<b>Enter blanks.</b>
12-20	Payer's Taxpayer Identification Number (TIN)	9	<b>Required.</b> Must be the valid nine-digit Taxpayer Identification Number assigned to the payer. <b>Do not enter blanks, hyphens, or alpha characters.</b> All zeros, ones, twos, etc., will have the effect of an incorrect TIN.

**j Note:** For foreign entities that are not required to have a TIN, this field must be blank. However, the Foreign Entity Indicator, position 52 of the "A" Record, must be set to "1" (one).



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## Record Name: Payer "A" Record (Continued)

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Field Position	Field Title	Length	Description and Remarks								
21-24	Payer Name Control	4	The Payer Name Control can be obtained only from the mail label on the Package 1099 that is mailed to most payers each December. To distinguish between Package 1099 and the Magnetic Media Reporting (MMR) Package, the Package 1099 contains instructions for paper filing only, and the mail label on the package contains a four (4) character name control. The MMR Package contains instructions for filing magnetically or electronically. The mail label <b>does not</b> contain a name control. Names of less than four (4) characters should be left-justified, filling the unused positions with blanks. If a Package 1099 has not been received or the Payer Name Control is unknown, this field must be blank filled.								
25	Last Filing Indicator	1	Enter a "1" (one) if this is the last year the payer will file; otherwise, <b>enter blank</b> . Use this indicator if the payer will not be filing information returns under this payer name and TIN in the future either magnetically, electronically, or on paper.								
26	Combined Federal/State Filer	1	<b>Required for the Combined Federal/State Filing Program.</b> Enter "1" (one) if participating in the Combined Federal/State Filing Program; otherwise, <b>enter blank</b> . Refer to Part A, Sec. 16, for further information. <b>The only forms that may be filed under the Combined Federal /State Filing Program are: Forms 1099-DIV, 1099-G, 1099-INT, 1099-MISC, 1099-OID, 1099-PATR, 1099-R, and 5498.</b>								
27	Type of Return	1	<b>Required.</b> Enter the appropriate code from the table below: <table><tr><th><u>Type of Return</u></th><th><u>Code</u></th></tr><tr><td>1098</td><td>3</td></tr><tr><td>1098-E</td><td>2</td></tr><tr><td>1098-T</td><td>8</td></tr></table>	<u>Type of Return</u>	<u>Code</u>	1098	3	1098-E	2	1098-T	8
<u>Type of Return</u>	<u>Code</u>										
1098	3										
1098-E	2										
1098-T	8										

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**Record Name: Payer "A" Record (Continued)**

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Field Position	Field Title	Length	Description and Remarks
			1099-A 4
			1099-B B
			1099-C 5
			1099-DIV 1
			1099-G F
			1099-INT 6
			1099-LTC T
			1099-MISC A
			1099-MSA M
			1099-OID D
			1099-PATR 7
			1099-R 9
			1099-S S
			5498 L
			5498-MSA K
			W-2G W
28-39	Amount Codes (See <b>Note</b> )	12	<p><b>Required.</b> Enter the appropriate amount codes for the type of return being reported. Generally, for each amount code entered in this field, a corresponding payment amount <b>must</b> appear in the Payee "B" Record.</p> <p><b>In most cases, the box numbers on paper information returns correspond with the amount codes used to file magnetically/electronically. However, if discrepancies occur, this revenue procedure governs.</b></p> <p><b>The Amount Codes have been expanded from nine to twelve codes to accommodate three additional payment fields in the Payee "B" Record. Amount Codes 1 through 9 will remain numeric. Amount Codes 10, 11, and 12 will be A, B, and C, respectively.</b></p>

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**Record Name: Payer "A" Record (Continued)**

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Field			
Position	Field Title	Length	Description and Remarks

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**Example of Amount Codes:**

If position 27 of the Payer "A" Record is "A" (for 1099-MISC) and positions 28-39 are "1247ACbbbbbb", this indicates the payer is reporting any or all six payment amounts (1247AC) in all of the following "B" Records. **(In this example, "b" denotes blanks in the designated positions. Do not enter the letter "b".)**

**The first payment amount field (1)** will represent rents;  
**the second payment amount field (2)** will represent royalties;  
**the third payment amount field (3)** will be all "0" (zeros);  
**the fourth payment amount field (4)** will represent Federal income tax withheld;  
**the fifth and sixth payment amount fields (5 and 6)** will be all "0" (zeros);  
**the seventh payment amount fields (7)** will represent nonemployee compensation;  
**the eighth and ninth payment amount fields (8 and 9)** will be all "0" (zeros);  
**the tenth payment amount field (A)** will represent crop insurance proceeds;  
**the eleventh payment amount field (B)** will be all "0" (zeros);  
and  
**the twelfth payment amount field (C)** will represent gross proceeds paid to an attorney in connection with legal services.

Enter the amount codes in **ascending sequence** (i.e., 1247ACbbbbbb), left justify information, and fill unused positions with blanks. For further clarification of the amount codes, contact IRS/MCC. **(In this example, "b" denotes blanks in the designated positions. Do not enter the letter "b".)**

**;** **Note: A type of return and an amount code must be present in every Payer "A" Record even if no money amounts are being reported. For a detailed explanation of the information to be reported in each amount code, refer to the 1998 "Instructions for Forms 1099, 1098, 5498, and W-2G."**

Amount Codes **Form 1098 -**  
Mortgage Interest  
Statement

For Reporting Mortgage Interest Received From  
Payers/Borrowers (Payer of Record) on Form 1098:

**Amount****Code****Amount Type**

1

Mortgage interest received from

## Record Name: Payer "A" Record (Continued)

Field	Position	Field Title	Length	Description and Remarks
				payer(s)/borrower(s)
			2	Points paid on purchase of principal residence
			3	Refund (or credit) of overpaid interest
Amount Codes		<b>Form 1098-E -</b>		For Reporting Interest on Student Loans on
Student Loan Interest				Form 1098-E
Statement				

### Amount

#### Code      Amount Type

1      Student loan interest received

Amount Codes		<b>Form 1098-T -</b>		For Reporting Tuition Payments on Form 1098-T
Tuition Payments				
Statement				

### Amount

#### Code      Amount Type

1      For filer's use (See **Note**)

2      For filer's use (See **Note**)

**;** **Note:** When reporting Form 1098-T magnetically/electronically, the filer must use Type of Return Code 8 in position 27, and Amount Codes 1 and 2 in positions 28 and 29 of the Payer "A" Record. However, if no money is being reported, the payment amount fields will contain zeros. There is no requirement for filers to report money amounts on Form 1098-T for Tax Year 1998.

Amount Codes		<b>Form 1099-A -</b>		For Reporting the Acquisition or Abandonment
Acquisition or Abandonment				of Secured Property on Form 1099-A:
of Secured Property				
(See <b>Note</b> )				

### Amount

#### Code      Amount Type

2      Balance of principal outstanding

4      Fair market value of property

**;** **Note:** If, in the same calendar year, a debt is canceled in connection with the acquisition or abandonment of secured property for one debtor and the filer would be required to file both Forms 1099-A and 1099-C (Cancellation of Debt), the filer is required to file Form 1099-C only. See the 1998 "Instructions for Forms 1099, 1098, 5498, and W-2G" for further information on coordination with Form 1099-C.

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**Record Name: Payer "A" Record (Continued)**

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Field	Position	Field Title	Length	Description and Remarks
Amount Codes		<b>Form 1099-B</b>		For Reporting Payments on Form 1099-B:
Proceeds From				
Broker and				
Barter Exchange				
Transactions				
			<b>Amount</b>	
			<b>Code</b>	<b>Amount Type</b>
			2	Stocks, bonds, etc. (For forward contracts, see <b>Note 1</b> )
			3	Bartering (Do not report negative amounts.)
			4	Federal income tax withheld (backup withholding) (Do not report negative amounts.)
			6	Profit (or loss) realized on closed regulated futures or foreign currency
			7	Unrealized profit (or loss) on open
			8	Unrealized profit (or loss) on open
			9	Aggregate profit (or loss) (See <b>Note 2</b> ).

¡**Note 1: The payment amount field associated with Amount Code 2 may be used to report a loss from a closing transaction on a forward contract. Refer to the "B" Record - General Field Descriptions, Payment Amount Fields, for instructions on reporting negative amounts.**

¡**Note 2: Payment Amount Fields 6, 7, 8, and 9 are to be used for the reporting of regulated futures or foreign currency contracts.**

Amount Codes		<b>Form 1099-C -</b>		For Reporting Cancellation of Debt on Form 1099-C
Cancellation of Debt				
(See <b>Note 1</b> )				
			<b>Amount</b>	
			<b>Code</b>	<b>Amount Type</b>
			2	Amount of debt canceled
			3	Interest if included in Amount Code 2
			7	Fair market value of property (See <b>Note 2</b> )

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**Record Name: Payer "A" Record (Continued)**

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Field

Position	Field Title	Length	Description and Remarks
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¡ **Note 1: If, in the same calendar year, a debt is canceled in connection with the acquisition or abandonment of secured property for one debtor and the filer would be required to file both Forms 1099-C and 1099-A (Acquisition or Abandonment of Secured Property), the filer is required to file Form 1099-C only. See the 1998 "Instructions for Forms 1099, 1098, 5498, and W-2G" for further information on coordination with Form 1099-A.**

¡ **Note 2: Amount Code 7 will be used only if a combined Form 1099-A and 1099-C is being filed.**

Amount Codes **Form 1099-DIV** -  
Dividends and Distributions

For Reporting Payments on Form 1099-DIV:

**See the 1998 "Instructions for Forms 1099, 1098, 5498 and W-2G" for further information on Form 1099-DIV.**

**A mount**

<u>Code</u>	<u>Amount Type</u>
1	Ordinary dividends
2	Total capital gains distributions
3	28% rate gain
4	Unrecaptured section 1250 gain
5	Section 1202 gain
6	Nontaxable distributions
7	Federal income tax withheld (backup withholding)
8	Investment expenses
9	Foreign tax paid
B	Noncash liquidation distribution

Amount Codes **Form 1099-G** -  
Certain Government Payments

For Reporting Payments on Form 1099-G:

**Amount**

<u>Code</u>	<u>Amount Type</u>
1	Unemployment compensation
2	State or local income tax refunds,

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**Record Name: Payer "A" Record (Continued)**

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Field			
Position	Field Title	Length	Description and Remarks
		4	Federal income tax withheld (backup withholding) or voluntary Corporation Loans, or certain crop
		6	Taxable grants
		7	Agriculture payments
Amount Codes	<b>Form 1099-INT - Interest Income</b>	For Reporting Payments on Form 1099-INT:	
		<b>Amount</b>	
		<b><u>Code</u></b>	<b><u>Amount Type</u></b>
		1	Interest income not included in Amount
		2	Early withdrawal penalty
		3	Interest on U.S. Savings Bonds and Treasury obligations
		4	Federal income tax withheld (backup
		5	Foreign tax paid
Amount Codes	<b>Form 1099-LTC- Long-Term Care and Accelerated Death Benefits</b>	For Reporting Payments on Form 1099-LTC:	
		<b>Amount</b>	
		<b><u>Code</u></b>	<b><u>Amount Type</u></b>
		1	Gross long-term care benefits paid
		2	Accelerated death benefits paid
Amount Codes	<b>Form 1099-MISC - Miscellaneous Income</b>	For Reporting Payments on Form 1099-MISC:	
		<b>Amount</b>	
		<b><u>Code</u></b>	<b><u>Amount Type</u></b>
		1	Rents (See <b>Note 1</b> )
		2	Royalties (See <b>Note 2</b> )
		3	Other income
		4	Federal income tax withheld (backup withholding or withholding on payments of Indian gaming profits)
		5	Fishing boat proceeds

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**Record Name: Payer "A" Record (Continued)**

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Field			
Position	Field Title	Length	Description and Remarks
		6	Medical and health care payments
		7	Nonemployee compensation
		8	Substitute payments in lieu of dividends or interest
		A	Crop insurance proceeds
		B	Excess golden parachute payments
		C	Gross proceeds paid to an attorney in connection with legal services

¡ **Note 1: If reporting the Direct Sales Indicator only in position 547 of the Payee "B" Record, use Type of Return Code A for 1099-MISC in position 27, and Amount Code 1 in position 28 of the Payer "A" record. All payment amount fields in the Payee "B" record will contain zeros.**

¡ **Note 2: Do not report timber royalties under a "pay-as-cut" contract; these must be reported on Form 1099-S.**

Amount Codes **Form 1099-MSA**  
Distributions From  
Medical Savings Accounts

For Reporting Distributions from Medical  
Savings Accounts on Form 1099-MSA

**Amount**

<u>Code</u>	<u>Amount Type</u>
1	Gross distribution
2	Earnings on excess contributions

Amount Codes **Form 1099-OID -**  
Original Issue Discount

For Reporting Payments on Form 1099-OID:

**Amount**

<u>Code</u>	<u>Amount Type</u>
1	Original issue discount for 1998
2	Other periodic interest
3	Early withdrawal penalty
4	Federal income tax withheld (backup withholding)



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**Record Name: Payer "A" Record (Continued)**

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Field

Position	Field Title	Length	Description and Remarks
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Amount Codes **Form 1099-PATR** -  
Taxable Distributions Received From  
Cooperatives

For Reporting Payments on Form 1099-PATR:

**Amount**

**Code**

**Amount Type**

- |   |   |
|---|---|
| 1 | Patronage dividends                                       |
| 2 | Nonpatronage distributions                                |
| 3 | Per-unit retain allocations                               |
| 4 | Federal income tax withheld (backup withholding)          |
| 5 | Redemption of nonqualified notices and retain allocations |

**Pass-Through Credits (See Note)**

- |   |  |
|---|--|
| 6 | For filers' use for pass through credits |
| 7 | Investment credit                        |
| 8 | Work opportunity credit                  |
| 9 | Patron's alternative minimum tax         |

**Note:** Amount Codes 6, 7, 8, and 9 are reserved for the patron's share of unused credits that the cooperative is passing through to the patron. Other credits, such as the Indian employment credit may be reported in Amount Code 6. The title of the credit reported in Amount Code 6 may be reported in the Special Data Entries Field in the Payee "B" Record. The amounts shown for Amount Codes 6, 7, 8, and 9 must be reported to the payee. These Amount Codes and the Special Data Entries Field are for the convenience of the filer. This information is not needed by IRS/MCC.

Amount Codes **Form 1099-R** -  
Distributions From  
Pensions, Annuities,  
Retirement or Profit-  
Sharing Plans, IRAs,  
Insurance Contracts, etc.

For Reporting Payments on Form 1099-R:

**Amount**

**Code**

**Amount Type**

- |   |  |
|---|--|
| 1 | Gross distribution (See Note 1)          |
| 2 | Taxable amount (See Note 2)              |
| 3 | Capital gain (included in Amount Code 2) |
| 4 | Federal income tax withheld (See Note 3) |
| 5 | Employee contributions or insurance      |

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**Record Name: Payer "A" Record (Continued)**

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Field Position	Field Title	Length	Description and Remarks
		6	Net unrealized appreciation in employer's securities
		8	Other
		9	Total employee contributions
		A	Traditional IRA/SEP/SIMPLE distribution (See <b>Note 4</b> )

¡ **Note 1:** If the payment shown for Amount Code 1 is a total distribution, enter a "1" (one) in position 549 of the "B" Record. An amount must be shown in Payment Amount Field 1 unless reporting an amount ONLY in Payment Amount Field 8. If a distribution is a loss, do not enter a negative amount. For example, if stock is distributed but the value is less than the employee's after-tax contributions, enter the value of the stock in Payment Amount Field 1, enter "0" (zero) in Payment Amount Field 2, and enter the employee's contributions in Payment Amount Field 5.

¡ **Note 2:** If the taxable amount cannot be determined, enter a "1" (one) in position 547 of the "B" Record. For a traditional IRA, SEP, or SIMPLE distribution, generally enter in Payment Amount Field A the same amount entered in Payment Amount Field 1.

¡ **Note 3:** See the 1998 "Instructions for Forms 1099, 1098, 5498, and W-2G" for information concerning Federal income tax withheld for Form 1099-R.

¡ **Note 4:** For Form 1099-R, generally, report the total amount distributed from an IRA, SEP, or SIMPLE in Payment Amount Field A (IRA/SEP/SIMPLE Distribution), as well as Payment Amount Field 1 (Gross Distribution) of the "B" Record. Refer to the 1998 "Instructions for Forms 1099, 1098, 5498, and W-2G" for exceptions.

Amount Codes **Form 1099-S** -  
 Proceeds From  
 Real Estate  
 Transactions

For Reporting Payments on Form 1099-S:

<b>Amount</b>	
<b><u>Code</u></b>	<b><u>Amount Type</u></b>

2	Gross proceeds (See <b>Note</b> )
5	Buyer's part of real estate tax

; **Note:** Include payments of timber royalties made under a "pay-as-cut" contract, reportable under section 6050N. If timber royalties are being reported, enter "TIMBER" in the description field of the "B" record.

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### Record Name: Payer "A" Record (Continued)

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Field			
Position	Field Title	Length	Description and Remarks
	Amount Codes <b>Form 5498</b> - IRA Contribution Information (See <b>Note</b> )		For Reporting Payments on Form 5498:
		<b>Amount</b>	
		<b><u>Code</u></b>	<b><u>Amount Type</u></b>
		1	IRA contributions (other than amounts in Amount Codes 2, 3, 7, 9 and A)
		2	Rollover contributions
		3	Roth conversion amount
		4	Fair market value of account
		5	Life insurance cost included in Amount Code 1
		7	Employer SEP contributions
		8	SIMPLE contributions
		9	Roth IRA contributions
		A	Education IRA contributions

; **Note:** For information regarding Inherited IRAs, refer to the 1998 "Instructions for Forms 1099, 1098, 5498, and W-2G" and Rev. Proc. 89-52, 1989-2 C.B. 632. Beneficiary information must be given in the Payee Name Line Field of the "B" Record. If reporting IRA contributions for a Desert Storm/Shield participant for other than 1998 or an Operation Joint Guard (OJG) (Bosnia Region) participant, enter "DS" for Desert Storm or Joint Endeavor or "JG" for Joint Guard, the year for which the contribution was made, and the amount of the contribution in the Special Data Entries Field of the "B" Record. Do not enter the contributions in Amount Code 1. For information concerning Desert Storm/Shield participant reporting, refer to the 1994 "Instructions for Forms 1099, 1098, 5498, and W-2G," or Notice 91-17, 1991-1 C.B. 319. The instructions for filing Form 5498 for Desert Storm/Shield participants will also apply to participants of Joint Endeavor or Operations Joint Guard (OJG) of the Bosnia Region.

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**Record Name: Payer "A" Record (Continued)**

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Field	Position	Field Title	Length	Description and Remarks
Amount Codes		<b>Form 5498-MSA</b>		For Reporting Contributions to Medical Savings
Medical Savings Account				Accounts
Information				
			<b>Amount</b>	
			<b><u>Code</u></b>	<b><u>Amount Type</u></b>
			1	Employee or self-employed person's MSA contributions made in 1998 and 1999 for
			2	Total MSA contributions made in 1998
			3	Total MSA contributions made in 1999 for 1998
			4	MSA rollover contributions (not included in Amount Code 1, 2, or 3) (See <b>Note 1</b> )
			5	Fair market value of account (See <b>Note 2</b> )

⌋**Note 1: This is the amount of any rollover made to this MSA in 1998 after a distribution from another MSA. For detailed information on reporting, see 1998 "Instructions for Forms 1098, 1099, 5498 and W-2G."**

⌋**Note 2: This is the fair market value (FMV) of the account at the end of 1998.**

Amount Codes		<b>Form W-2G -</b>		For Reporting Payments on Form W-2G:
Certain Gambling				
Winnings				
			<b>Amount</b>	
			<b><u>Code</u></b>	<b><u>Amount Type</u></b>
			1	Gross winnings
			2	Federal income tax withheld

40-47	Blank	8	<b>Enter blanks.</b>
48	Original File Indicator	1	<b>Required for original files only.</b> Enter "1" (one) if the information is original data. Otherwise, <b>enter a blank.</b>

### Record Name: Payer "A" Record (Continued)

Field Position	Field Title	Length	Description and Remarks
49	Replacement File Indicator	1	<b>Required for replacement files only.</b> Enter "1" (one) if the purpose of this file is to replace a file that IRS/MCC returned to the transmitter due to errors encountered in processing. This is a file that has not been successfully processed by IRS. Otherwise, <b>enter a blank.</b>
50	Correction File Indicator	1	<b>Required for correction files only.</b> Enter "1" (one) if the purpose of this file is to correct information which was previously submitted to IRS/MCC, was processed, but contained erroneous information. Do not submit original information as corrections. Any information return which was inadvertently omitted from a file must be submitted as original. Otherwise, <b>enter a blank.</b>
51	Blank	1	<b>Enter a blank.</b>
52	Foreign Entity Indicator	1	Enter a "1" (one) if the payer is a foreign entity and income is paid by the foreign entity to a U. S. resident. If the payer is not a foreign entity, <b>enter a blank</b> (See <b>Note</b> ).

**Note: If payers report the Foreign Entity Indicator erroneously, they may be subject to a penalty for providing incorrect information to IRS.**

53-92	First Payer Name	40	<b>Required.</b> Enter the name of the payer whose TIN appears in positions 12-20 of the "A" Record. Any
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Line extraneous information must be deleted. Left justify information, and fill unused positions with blanks. (Filers should not enter a transfer agent's name in this field. Any transfer agent's name should appear in the Second Payer Name Line Field.)

**Note:** When reporting Form 1098, Mortgage Interest Statement, and Form 1098-E, Student Loan Interest Statement, the "A" Record will reflect the name and TIN of the recipient of the interest or payment, the filer of Forms 1098 and 1098-E (the

### Record Name: Payer "A" Record (Continued)

Field			
Position	Field Title	Length	Description and Remarks
<p>payer). The "B" Record will reflect the individual paying the interest (the borrower/payer of record) and the amount paid. For Form 1099-S, the "A" Record will reflect the person responsible for reporting the transaction (the filer of the Form 1099-S) and the "B" Record will reflect the seller/transferor. When reporting Form 1098-T, Tuition Payments Statement, the "A" Record will reflect the name and TIN of the educational institution receiving tuition payments. The "B" Record will reflect the name and TIN of the student on whose behalf the tuition is being paid.</p>			
93-132	Second Payer Name Line	40	If the Transfer (or Paying) Agent Indicator or (position 133) contains a "1" (one), this field must contain the name of the transfer (or paying) agent. If the indicator continuation of the First Payer Name Line or blanks. Left justify information and fill unused positions with blanks.
133	Transfer Agent Indicator	1	<b>Required.</b> Identifies the entity in the Second Payer Name Line Field. (See Part A, Sec. 17 for a definition of transfer agent.)

<u>Code</u>	<u>Meaning</u>
1	The entity in the Second Payer Name Line Field is the transfer (or paying) agent.
0 (zero)	The entity shown is <b>not</b> the transfer (or paying) agent (i.e., the Second Payer Name

Line Field contains either a continuation of the First Payer Name Line Field or blanks).

134-173	Payer Shipping Address	40	<b>Required.</b> If the Transfer Agent Indicator in position 133 is a "1" (one), enter the shipping address of the transfer (or paying) agent. Otherwise, enter the <b>actual</b> shipping address of the payer. The street address should include number, street, apartment or suite number (or P.
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### Record Name: Payer "A" Record (Continued)

Field Position	Field Title	Length	Description and Remarks
			O. Box if mail is not delivered to street address). Left justify information, and fill unused positions with blanks.

**For U.S. addresses**, the payer city, state, and ZIP code must be reported as a 40, 2, and 9 position field, respectively. **Filers must adhere to the correct format for the payer city, state, and ZIP code.** **For foreign addresses**, filers may use the payer city, state, and ZIP code as a continuous 51 position field. Enter information in the following order: city, province or state, postal code, and the name of the country. When reporting a foreign address, the Foreign Entity Indicator in position 52 must contain a "1" (one).

174-213	Payer City	40	<b>Required.</b> If the Transfer Agent Indicator in position 133 is a "1" (one), enter the city, town, or post office of the transfer agent. Otherwise, enter the city, town, or post office of the payer. Left justify information, and fill unused positions with blanks. Do not enter state and ZIP code information in this field.
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214-215	Payer State	2	<b>Required.</b> Enter the valid U.S. Postal Service state abbreviations for states. Refer to the chart of valid state abbreviations in Part A, Sec.18.
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216-224	Payer ZIP Code	9	<b>Required.</b> Enter the valid nine digit ZIP code assigned by the U.S. Postal Service. If only the first five digits are known, left justify information and fill the unused positions with blanks. For foreign countries, alpha characters are acceptable as long as the filer has entered a "1" (one) in the Foreign Entity Indicator, located in Field Position 52 of the "A" Record.
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225-239	Payer's Phone Number & Extension	15	Enter the payer's phone number and extension.
240-748	Blank	509	<b>Enter blanks.</b>
749-750	Blank	2	<b>Enter blanks</b> or carriage return/line feed (CR/LF) characters.

## Sec. 9. Payer "A" Record - Record Layout

Record Type	Payment Year	Blank	Payer's TIN	Payer Name Control	Last Filing Indicator
1	2-5	6-11	12-20	21-24	25

  

Combined Federal/State Filer	Type of Return	Amount Codes	Blank	Original File Indicator	Replacement File Indicator	Correction File Indicator
26	27	28-39	40-47	48	49	50

  

Blank	Foreign Entity Indicator	First Payer Name Line	Second Payer Name Line	Transfer Agent Indicator	Payer Shipping Address
51	52	53-92	93 -132	133	134-173

  

Payer City	Payer State	Payer ZIP Code	Payer's Phone Number and Extension	Blank	Blank or CR/LF
174-213	214-215	216-224	225-239	240-748	749-750

## Sec. 10. Payee "B" Record - General Field Descriptions and Record Layouts

**.01** The "B" Record contains the payment information from the information returns. When filing information returns, the format for the "B" Records will remain constant and is a fixed length of 750 positions. The record layout for field positions 1 through 543 is the same for all



types of returns. Field positions 544 through 750 vary for each type of return to accommodate special fields for individual forms. In the "A" Record, the amount codes that appear in field positions 28 through 39 will be left-justified and filled with blanks. In the "B" Record, the filer **must** allow for all twelve Payment Amount Fields. For those fields not used, enter "0s" (zeros). For example, a payer reporting on Form 1099-MISC should enter "A" in field position 27 of the "A" Record, Type of Return. If reporting payments for Amount Codes 1, 2, 4, 7, A and C, the payer would report field positions 28 through 39 of the "A" Record as "1247ACb b b b b b b b." (In this example, "b" denotes blanks. Do not enter the letter "b".) In the "B" Record:

- Positions 55 through 66 for Payment Amount 1** will represent rents.
- Positions 67-78 for Payment Amount 2** will represent royalties.
- Positions 79-90 for Payment Amount 3** will be "0's" (zeros).
- Positions 91-102 for Payment Amount 4** will represent Federal income tax withheld.
- Positions 103-126 for Payment Amounts 5 and 6** will be "0's" (zeros).
- Positions 127-138 for Payment Amount 7** will represent nonemployee compensation.
- Positions 139-162 for Payment Amounts 8 and 9** will be "0's" (zeros).
- Positions 163-174 for Payment Amount A** will represent crop insurance proceeds.
- Positions 175-186 for Payment Amount B** will be "0's" (zeros).
- Positions 187-198 for Payment Amount C** will represent gross proceeds paid to an attorney in connection with legal services.

**.02** The following specifications include a field in the payee records called "Name Control" in which the first four characters of the payee's surname are to be entered by the filer.

(a) If filers are unable to determine the first four characters of the surname, the Name Control Field may be left blank. Compliance with the following will facilitate IRS computer programs in identifying the correct name control:

- (1) The surname of the payee whose TIN is shown in the "B" Record should always appear first. If, however, the records have been developed using the first name first, the filer must leave a blank space between the first and last names.
- (2) In the case of multiple payees, only the surname of the payee whose TIN (SSN, EIN, ITIN, or ATIN) is shown in the "B" Record must be present in the First Payee Name Line. Surnames of any other payees may be entered in the Second Payee Name Line.

**.03** See Part A, Sec. 14 for further information concerning Taxpayer Identification Numbers (TINs).

**.04** For all fields marked "**Required**", the transmitter must provide the information described under Description and Remarks. For those fields not marked "**Required**," the transmitter must allow for the field, but may be instructed to enter blanks or zeros in the indicated field position(s) and for the indicated length.

**.05 All records must be a fixed length of 750 positions.**

**.06** A field is also provided in these specifications for Special Data Entries. This field may be used to record information required by state or local governments, or for the personal use of

the filer. IRS does not use the data provided in the Special Data Entries Field; therefore, the IRS program does not check the content or format of the data entered in this field. It is the filer's option to use the Special Data Entry Field. This field will not affect the processing of the "B" Records.

**.07** Following the Special Data Entries Field in the "B" Record, payment fields have been allocated for State Income Tax Withheld and Local Income Tax Withheld. These fields are for the convenience of the filers. The information will not be used by IRS/MCC.

**.08** Those payers participating in the Combined Federal/State Filing Program must adhere to all of the specifications in Part A, Sec. 16, to participate in this program. Filers may not file Forms 1098, 1098-E, 1098-T, 1099-A, 1099-B, 1099-C, 1099-LTC, 1099-MSA, 1099-S, 5498-MSA, and W-2G under the Combined Federal/State Filing Program.

**.09** All alpha characters in the "B" Record must be uppercase.

**.10 Do not** use decimal points (.) to indicate dollars and cents. Ten dollars must appear as 000000001000 in the payment amount field.

**.11** IRS strongly encourages transmitters to review the data for accuracy before submission to prevent issuance of erroneous notices. Transmitters should be especially careful that the names, TINs, account numbers, types of income, and income amounts are correct.

**.12** When reporting Form 1098, Mortgage Interest Statement and Form 1098-E, Student Loan Interest Statement, the "A" Record will reflect the name and TIN of the recipient of the interest or payment, the filer of the Forms 1098 and 1098-E (the payer). The "B" Record will reflect the individual paying the interest (borrower/payer of record) and the amount paid. For Form 1099-S, the "A" Record will reflect the person responsible for reporting the transaction (the filer of the Form 1099-S) and the "B" record will reflect the seller/transferor. When reporting Form 1098-T, Tuition Payments Statement, the "A" Record will reflect the name and TIN of the educational institution receiving tuition payments. The "B" Record will reflect the name and TIN of the student on whose behalf the tuition is being paid.

### Record Name: Payee "B" Record

Field			
Position	Field Title	Length	Description and Remarks
1	Record Type	1	<b>Required.</b> Enter "B."
2-5	Payment Year	4	<b>Required.</b> Enter "1998" (unless reporting prior year data).
6	Corrected Return Indicator (See Note)	1	<b>Required for corrections only.</b> Indicate a corrected return.  <b><u>Code Definition</u></b> G If this is a one-transaction correction or the first of a two-transaction correction

C If this is the second transaction of a two transaction correction

Blank If this is not a return being submitted to correct information already processed by IRS.

j **Note: C, G, and non-coded records must be reported using separate Payer "A" Records. Refer to Part A, Sec. 13, for specific instructions on how to file corrected returns.**

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### Record Name: Payee "B" Record (Continued)

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Field Position	Field Title	Length	Description and Remarks
7-10	Name Control	4	If determinable, enter the first four (4) characters of the surname of the person whose TIN is being reported in positions 12-20 of the "B" Record; otherwise, enter blanks. This usually is the payee. If the name that corresponds to the TIN is not included in the first or second payee name line and the correct name control is not provided, a backup withholding notice may be generated for the record. Surnames of less than four (4) characters should be left-justified, filling the unused positions with blanks. Special characters and imbedded blanks should be removed. In the case of a business, other than a sole proprietorship, use the first four significant characters of the business name. Disregard the word "the" when it is the first word of the name, unless there are only two words in the name. A dash (-) and an ampersand (&) are the only acceptable special characters. Surname prefixes are considered part of the surname, e.g., for Van Elm, the name control would be VANE.

j **Note: Although extraneous words, titles, and special characters are allowed (i.e., Mr., Mrs., Dr., apostrophe ['], or dash [-]), this information may be dropped during subsequent IRS/MCC processing.**

The following examples may be helpful to filers in developing the Name Control:

Name	Name Control
Individuals:	
Jane <b>Brown</b>	BROW
John A. <b>Lee</b>	LEE*
James P. <b>En</b> , Sr.	EN*
John <b>O'Neill</b>	ONEI
Mary <b>Van Buren</b>	VANB
Juan <b>De Jesus</b>	DEJE
Gloria A. <b>El-Roy</b>	EL-R
Mr. John <b>Smith</b>	SMIT
Joe <b>McCarthy</b>	MCCA
Pedro <b>Torres-Lopes</b>	TORR
Maria <b>Lopez</b> Moreno**	LOPE
Binh To <b>La</b>	LA*
Nhat Thi <b>Pham</b>	PHAM
Mark <b>D'Allesandro</b>	DALL
Corporations:	
The <b>First</b> National Bank	FIRS
<b>The Hideaway</b>	THEH
<b>A &amp; B Cafe</b>	A&BC
<b>11TH</b> Street Inc.	11TH
Sole Proprietor:	
Mark <b>Hemlock</b> DBA	
The Sunshine Club	HEML
Partnership:	
Robert <b>Aspen</b>	
and Bess Willow	ASPE
Harold <b>Fir</b> , Bruce Elm,	
and Joyce Spruce et al Ptr	FIR*
Estate:	
Frank <b>White</b> Estate	WHIT
Estate of Sheila <b>Blue</b>	BLUE
Trusts and Fiduciaries:	
<b>Daisy</b> Corporation Employee	
Benefit Trust	DAIS
Trust FBO The <b>Cherryblossom</b>	
Society	CHER

Exempt Organization:

**Laborer's Union, AFL-CIO** LABO

**St. Bernard's Methodist**

Church Bldg. Fund STBE

\*Name Controls of less than four (4) significant characters must be left-justified and blank-filled.

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### Record Name: Payee "B" Record (Continued)

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Field

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Position	Field Title	Length	Description and Remarks
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\*\*For Hispanic names, when two last names are shown for an individual, derive the name control from the first last name.

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11	Type of TIN	1	This field is used to identify the Taxpayer Identification Number (TIN) in positions 12-20 as either an Employer Identification Number (EIN), a Social Security Number (SSN), an Individual Taxpayer Identification Number (ITIN) or an Adoption Taxpayer Identification Number (ATIN). Enter the appropriate code from the following table:
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<u>Code</u>	<u>Type of TIN</u>	<u>Type of Account</u>
2	SSN	An individual, including a sole proprietor
	or	
2	ITIN	An individual required to have a taxpayer identification number, but who is not eligible to obtain an SSN
	or	
2	ATIN	An adopted individual prior to the assignment of a social security number
Blank	N/A	If the type of TIN is not determinable, enter a blank.

12-20	Payee's Taxpayer Identification Number	9	<b>Required.</b> Enter the nine digit Taxpayer Identification Number of the payee (SSN, ITIN, ATIN, or EIN). If an identification number has been applied for but not received, enter blanks. Do not enter hyphens or alpha
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¡ **Note: IRS/MCC contacts payers who have submitted payee data with missing TINs in an attempt to prevent errors that could result in penalties. Payers who submit data with**

### Record Name: Payee "B" Record (Continued)

Field Position	Field Title	Length	Description and Remarks
<p><b>missing TINs, and have taken the required steps to obtain this information are encouraged to attach a letter of explanation to the required Form 4804. This will prevent unnecessary contact from IRS/MCC. This letter, however, will not prevent backup withholding notices (CP2100 or CP2100A Notices) or penalties for missing or incorrect TINs.</b></p>			
21-40	Payer's Account Number	20	Enter any number assigned by the payer to the payee (e.g., checking or savings account number). Filers payee's TIN since this will not make each record unique. This information is particularly useful when corrections are filed. This number will be provided with the backup withholding notification and may be helpful in identifying the branch or subsidiary reporting the transaction. Do not define data in this field in packed decimal format. If fewer than twenty characters are used, filers may either left or right justify, filling the remaining positions with blanks.
41-44	Payer's Office Code	4	Enter office code of payer; otherwise, <b>enter blanks.</b> For payers with multiple locations, this field may be used to identify the location of the office submitting the information return.
45-54	Blank	10	<b>Enter blanks.</b>
	Payment		<b>Required. Filers should allow for all payment</b>

Amount Fields  
(Must be  
numeric)  
(See **Note** )

**amounts. For those not used, enter zeros.** For example: If position 27, Type of Return, of the "A" Record, is "A" (for 1099-MISC) and positions 28-39, Amount Codes, are "1247ACb b b b b b". This indicates the payer is reporting any or all six payment amounts in all of the following "B" Records. (In this example, "b" denotes blanks in the designated positions. Do not enter the letter "b.") Payment Amount 1 will represent rents;

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### Record Name: Payee "B" Record (Continued)

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Field			
Position	Field Title	Length	Description and Remarks
			<p>Payment Amount 2 will represent royalties; Payment Amount 3 will be all "0's" (zeros); Payment Amount 4 will represent Federal income tax withheld; Payment Amounts 5 and 6 will be all "0's" (zeros); Payment amount 7 will represent nonemployee compensation, Payment Amounts 8 and 9 will be all "0's" (zeros), Payment Amount A will represent crop insurance proceeds, Payment Amount B will be all "0's" (zeros), and Payment Amount C will represent gross proceeds paid to an attorney in connection with legal services. Each payment field must contain 12 numeric characters. Each payment amount must contain U.S. dollars and cents. The right-most two positions represent cents in the payment amount fields. Do not enter dollar signs, commas, decimal points, or negative payments, except those items that reflect a loss on Form 1099-B. Positive and negative amounts are indicated by placing a "+" (plus) or "-" (minus) sign in the left-most position of the payment amount field. A negative over punch in the units position may be used, instead of a minus sign, to indicate a negative amount. If a plus sign, minus sign, or negative over punch is not used, the number is assumed to be positive. Negative over punch cannot be used in PC created files. Payment amounts must be right-justified and unused positions must be zero-filled. <b>Federal income tax withheld cannot be reported as a negative amount on any form.</b></p>

**Note: Filers must enter numeric information in all payment fields when filing magnetically or electronically. However, when reporting information on the statement to recipient, the payer may be instructed to leave a box blank. Follow the guidelines provided in the paper instructions for the statement to recipient.**

55-66	Payment Amount 1*	12	The amount reported in this field represents payments for Amount Code 1 in the "A" Record.
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### **Record Name: Payee "B" Record (Continued)**

Field Position	Field Title	Length	Description and Remarks
67-78	Payment Amount 2*	12	The amount reported in this field represents payments for Amount Code 2 in the "A" Record.
79-90	Payment Amount 3*	12	The amount reported in this field represents payments for Amount Code 3 in the "A" Record.
91-102	Payment Amount 4*	12	The amount reported in this field represents payments for Amount Code 4 in the "A" Record.
103-114	Payment Amount 5*	12	The amount reported in this field represents payments for Amount Code 5 in the "A" Record.
115-126	Payment Amount 6*	12	The amount reported in this field represents payments for Amount Code 6 in the "A" Record.
127-138	Payment Amount 7*	12	The amount reported in this field represents payments for Amount Code 7 in the "A" Record.
139-150	Payment Amount 8*	12	The amount reported in this field represents payments for Amount Code 8 in the "A" Record.
151-162	Payment Amount 9*	12	The amount reported in this field represents payments for Amount Code 9 in the "A" Record.
163-174	Payment Amount A*	12	The amount reported in this field represents payments for Amount Code A in the "A" Record.



175-186	Payment Amount B*	12	The amount reported in this field represents payments for Amount Code B in the "A" Record.
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187-198	Payment Amount C*	12	The amount reported in this field represents payments for Amount Code C in the "A" Record.
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**\*If there are discrepancies between the payment amount fields and the boxes on the paper forms, the instructions in this revenue procedure govern.**

### Record Name: Payee "B" Record (Continued)

Field Position	Field Title	Length	Description and Remarks
199-246	Reserved	48	<b>Enter blanks.</b>
247	Foreign Country	1	<b>If the address of the payee is in a foreign country, enter a "1" (one) in this field;</b> otherwise, enter blank. IndicatorWhen filers use this indicator, they may use a free format for the payee city, state, and ZIP Code. Address information must not appear in the First or Second Payee Name Line.
248-287	First Payee Name Line (See <b>Notes</b> )	40	<b>Required.</b> Enter the name of the payee (preferably surname first) whose Taxpayer Identification Number (TIN) was provided in positions 12-20 of the "B" whose TIN has been provided should be entered in this field. The names of the other payees may be entered in the Second Payee Name Line Field. If reporting information for a sole proprietor, the individual's name must always be present, preferably on the First Payee Name Line. The use of the business name is optional in the Second Payee Name Line Field.

**Note 1: When reporting Form 1098, Mortgage Interest Statement, and Form 1098-E, Student Loan Interest Statement, the "A" Record will reflect the name and TIN of the recipient of the interest or payment, the filer of Forms 1098 and 1098-E (the payer). The "B" Record will reflect the individual paying the interest (the borrower/payer of record) and the amount paid. For Form 1099-S, the "A" Record will reflect the person responsible for reporting the transaction (the filer of the Form 1099-S) and the "B" Record will reflect the seller/transferor. When reporting Form 1098-T, Tuition Payments Statement, the "A" Record will reflect the name and TIN of the educational**

institution receiving tuition payments. The "B" Record will reflect the name and TIN of the student on whose behalf the tuition is being paid.

- ; **Note 2:** For Form 5498 Inherited IRAs, enter the beneficiary's name followed by the word "beneficiary." For example, "Brian Young as beneficiary of Joan Smith" or something similar that signifies that the IRA was once owned by Joan Smith. Filers may abbreviate the word "beneficiary" as, for example, "benef." Refer to the 1998 "Instructions for Forms 1099, 1098, 5498, and W-2G." The beneficiary's TIN must be reported in positions 12-20 of the "B" Record.

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### Record Name: Payee "B" Record (Continued)

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Field

Position	Field Title	Length	Description and Remarks
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- ; **Note 3:** When reporting Form 1099-LTC, Long-Term Care and Accelerated Death Benefits, the Payee Name Line of the "B" Record will reflect the policyholder. The name of the insured will be reported in Field Positions 557-596 of the Payee "B" Record.

- ; **Note 4:** End First Payee Name Line with a full word. Do not split words.

288-327	Second Payee Name Line	40	If there are multiple payees, (e.g., partners, joint owners, or spouses), use this field for those names not associated with the TIN provided in positions 12-20 of the "B" Record or if not enough space was provided in the First Payee Name Line, continue the name in this field (See Note). <b>Do not enter address information.</b> It is important that filers provide as much payee information to IRS/MCC as possible to identify the payee associated with the TIN. Left justify and fill unused positions with blanks. <b>Fill with blanks if no entries are present for this field.</b>
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- ; **Note:** End First Payee Name Line with a full word. Do not split words. Begin Second Payee Name Line with the next sequential word.

328-367	Blank	40	<b>Enter blanks.</b>
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368-407	Payee Mailing	40	<b>Required.</b> Enter mailing address of payee. Street
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Address

address should include number, street, apartment or suite number (or P.O. Box if mail is not delivered to street address). Left justify information and fill unused positions with blanks. This field **must not** contain any data other than the payee's mailing address.

**For U.S. addresses**, the payee city, state, and ZIP Code must be reported as a 40, 2, and 9 position field, respectively. **Filers must adhere to the correct format for the payee city, state, and ZIP code.**

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**Record Name: Payee "B" Record (Continued)**

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Field

Position	Field Title	Length	Description and Remarks
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**For foreign addresses**, filers may use the payee city, state, and ZIP code as a continuous 51 position field. Enter information in the following order: city, province or state, postal code, and the name of the country. When reporting a foreign address, the Foreign Country Indicator in position 247 must contain a "1" (one).

408-447	Blank	40	<b>Enter blanks.</b>
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448-487	Payee City	40	<b>Required.</b> Enter the city, town or post office. Left justify information and fill the unused positions with blanks. Enter APO or FPO if applicable. Do not enter state and ZIP code information in this field.
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488-489	Payee State	2	<b>Required.</b> Enter the valid U.S. Postal Service state abbreviations for states or the appropriate postal identifier (AA, AE, or AP) described in Part A, Sec. 18.
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490-498	Payee ZIP Code	9	<b>Required.</b> Enter the valid nine digit ZIP Code assigned by the U.S. Postal Service. If only the first five digits are known, left justify information and fill the unused positions with blanks. For foreign countries, alpha characters are acceptable as long as the filer has entered a "1" (one) in the Foreign Country Indicator, located in position 247 of the "B" Record.
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499-543	Blank	45	<b>Enter blanks.</b>
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**Standard Payee "B" Record Format For  
All Types of Returns, Positions 1-543**

Record Type	Payment Year	Corrected Return Indicator	Name Control	Type of TIN	Payee's TIN	Payer's Account Number
1	2-5	6	7-10	11	12-20	21-40

**Standard Payee "B" Record Format For  
All Types of Returns, Positions 1-543 (Continued)**

Payer's Office Code	Blank	Payment Amount 1	Payment Amount 2	Payment Amount 3	Payment Amount 4	Payment Amount 5
41-44	45-54	55-66	67-78	79-90	91-102	103-114

Payment Amount 6	Payment Amount 7	Payment Amount 8	Payment Amount 9	Payment Amount A	Payment Amount B
115-126	127-138	139-150	151-162	163-174	175-186

Payment Amount C	Reserved	Foreign Country Indicator	First Payee Name Line	Second Payee Name Line	Blank
187-198	199-246	247	248-287	288-327	328-367

Payee Mailing Address	Blank	Payee City	Payee State	Payee ZIP Code	Blank
368-407	408-447	448-487	488-489	490-498	499-543

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The following sections define the field positions for the different types of returns in the Payee "B" Record (positions 544-750):

- (1) Forms 1098, 1098-E, and 5498-MSA
- (2) Form 1098-T
- (3) Form 1099-A
- (4) Form 1099-B
- (5) Form 1099-C
- (6) Form 1099-DIV\*
- (7) Form 1099-G\*
- (8) Form 1099-INT\*
- (9) Form 1099-LTC
- (10) Form 1099-MISC\*
- (11) Form 1099-MSA
- (12) Form 1099-OID\*
- (13) Form 1099-PATR\*
- (14) Form 1099-R\*
- (15) Form 1099-S
- (16) Form 5498\*
- (17) Form W-2G

\* These forms may be filed through the Combined Federal/State Filing Program. IRS/MCC will forward these records to participating states for filers who have been approved for the program. See Part A, Sec. 16 for information about the program, including specific codes for the record layouts.

### (1) Payee "B" Record - Record Layout Positions 544-750 for Forms 1098, 1098-E, and 5498-MSA

Field Position	Field Title	Length	Description and Remarks
544-662	Blank	119	<b>Enter blanks.</b>
663-722	Special Data Entries	60	This portion of the "B" Record may be used to record information for state or local government reporting or for the filer's own purposes. Payers should contact the state or local revenue departments for filing requirements. If this field is not utilized, <b>enter blanks.</b>
723-748	Blank	26	<b>Enter blanks.</b>
749-750	Blank	2	<b>Enter blanks,</b> or carriage return/line feed (CR/LF) characters.

**Payee "B" Record - Record Layout Positions 544-750**  
**Forms 1098, 1098-E, and 5498-MSA**

Blank	Special Data Entries	Blank	Blank or CR/LF
544-662	663-722	723-748	749-750

**(2) Payee "B" Record - Record Layout Positions 544-750 for Form 1098-T**

Field Position	Field Title	Length	Description and Remarks	
544-546	Blank	3	<b>Enter blanks.</b>	
547	Status of Student Indicator	1	Enter the appropriate indicator from the table below:	
			<u><b>Indicator</b></u>	<u><b>Usage</b></u>
			1	Student is carrying <b>at least</b> one-half the normal full-time work load for course of study.
			Blank	Student is carrying <b>less than</b> one-half the normal full-time work load for course of study.
548	Graduate Student Indicator	1	Enter the appropriate indicator from the table below:	
			<u><b>Indicator</b></u>	<u><b>Usage</b></u>
			1	Student is enrolled exclusively in a graduate level program.
			Blank	Student is enrolled in an undergraduate level program.
549-662	Blank	114	<b>Enter blanks.</b>	
663-722	Special Data	60	This portion of the "B" Record may be used to record	

Entries

information for state or local government reporting or for the filer's own purposes. Payers should contact the state or local revenue departments for the filing requirements. If this field is not utilized, **enter blanks.**

723-748	Blank	26	<b>Enter blanks</b>
749-750	Blank	2	<b>Enter blanks</b> or carriage return/line feed (CR/LF)

### Payee "B" Record - Record Layout Positions 544-750 Form 1098-T

Blank	Status of Student Indicator	Graduate Student Indicator	Blank	Special Data Entries	Blank	Blank or CR/LF
544-546	547	548	549-662	663-722	723-748	749-750

### (3) Payee "B" Record - Record Layout Positions 544-750 for Form 1099-A

Field Position	Field Title	Length	Description and Remarks	
544-546	Blank	3	<b>Enter blanks.</b>	
547	Personal Liability Indicator	1	Enter the appropriate indicator from the table below:	
			<u><b>Indicator</b></u>	<u><b>Usage</b></u>
			1	Borrower was personally liable for repayment of the debt.
			Blank	Borrower was not personally liable for repayment of the debt.
548-555	Date of Lender's Acquisition or Knowledge of	8	Enter the acquisition date of the secured property or the date the lender first knew or had reason to know the property was abandoned, in the format YYYYMMDD (i.e., 19981022). <b>Do not enter hyphens or slashes.</b>	

## Abandonment

556-594	Description of Property	39	Enter a brief description of the property. For real property, enter the address, or, if the address does not sufficiently identify the property, enter the section, lot and block. For personal property, enter the type, make and model (e.g., Car-1997 Buick Regal or office equipment). Enter "CCC" for crops forfeited on Commodity Credit Corporation loans. If fewer than 39 positions are required, left justify information and fill unused positions with blanks.
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### (3) Payee "B" Record - Record Layout Positions 544-750 for Form 1099-A (Continued)

Field Position	Field Title	Length	Description and Remarks
595-662	Blank	68	<b>Enter blanks.</b>
663-722	Special Data Entries	60	This portion of the "B" Record may be used to record information for state or local government reporting or for the filer's own purposes. Payers should contact the state or local revenue departments for the filing requirements. If this field is not utilized, <b>enter blanks.</b>
723-748	Blank	26	<b>Enter blanks.</b>
749-750	Blank	2	<b>Enter blanks,</b> or carriage return/line feed (CR/LF) characters.

### Payee "B" Record - Record Layout Positions 544-750 Form 1099-A

Blank	Personal Liability Indicator	Date of Lender's Acquisition or Knowledge of Abandonment	Description of Property	Blank
544-546	547	548-555	556-594	595-662



Special Data Entries	Blank	Blank or CR/LF
663-722	723-748	749-750

#### (4) Payee "B" Record - Record Layout Positions 544-750 for Form 1099-B

Field Position	Field Title	Length	Description and Remarks						
544	Second TIN (Optional)	1	Enter “2” to indicate notification by IRS twice within incorrect name and/or TIN combination; otherwise, <b>enter a blank.</b>						
545-546	Blank	2	<b>Enter blanks.</b>						
547	Gross Proceeds Indicator	1	Enter the appropriate indicator from the following table, to identify amount reported in Amount Code 2; otherwise, <b>enter blanks.</b>						
<table><tr><th><u>Indicator</u></th><th><u>Usage</u></th></tr><tr><td>1</td><td>Gross proceeds</td></tr><tr><td>2</td><td>Gross proceeds less commissions and option premiums</td></tr></table>				<u>Indicator</u>	<u>Usage</u>	1	Gross proceeds	2	Gross proceeds less commissions and option premiums
<u>Indicator</u>	<u>Usage</u>								
1	Gross proceeds								
2	Gross proceeds less commissions and option premiums								
548-555	Date of Sale	8	For broker transactions, enter the trade date of the transaction. For barter exchanges, enter the date when cash, property, a credit, or scrip is actually or constructively received in the format YYYYMMDD (e.g., 19981022). Enter blanks if this is an aggregate transaction. <b>Do not enter hyphens or slashes.</b>						
556-568	CUSIP Number	13	For broker transactions only, enter the CUSIP						

(Committee on Uniform Security Identification Procedures) number of the item reported for Amount Code 2 (stocks, bonds, etc.). Enter blanks if this is an aggregate transaction. Enter "0s" (zeros) if the number is not available. ~~Right justify information and fill unused positions with blanks.~~

<del>569-607</del>	<del>Description</del>	<del>39</del>	<del>If fewer than 39 characters are required, left justify information and fill unused positions with blanks. For broker transactions, enter a brief description of the disposition item (e.g., 100 shares of XYZ Corp.). For</del>
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#### (4) Payee "B" Record - Record Layout Positions 544-750 for Form 1099-B (Continued)

Field Position	Field Title	Length	Description and Remarks
			regulated futures and forward contracts, enter "RFC" or other appropriate description and any amount subject to backup withholding (see <b>Note</b> ). For bartering transactions, show the services or property provided.

**Note:** The amount withheld in these situations is to be included in Amount Code 4.

608-662	Blank	55	<b>Enter blanks.</b>
663-722	Special Data Entries	60	This portion of the "B" Record may be used to record information for state or local government reporting or for the filer's own purposes. Payers should contact the state or local revenue departments for filing requirements. If this field is not utilized, <b>enter blanks.</b>
723-734	State Income Tax Withheld	12	State income tax withheld is for the convenience of the filers. This information does not need to be reported to IRS. The payment amount must be right justified and unused positions must be zero-filled. If not reporting state tax withheld, this field may be used as a continuation of the Special Data Entries field.
735-746	Local Income	12	Local income tax withheld is for the convenience of the

Tax Withheld

filers. This information does not need to be reported to IRS. The payment amount must be right justified and unused positions must be zero-filled. If not reporting local tax withheld, this field may be used as a continuation of the Special Data Entries field.

747-748	Blank	2	<b>Enter blanks.</b>
749-750	Blank	2	<b>Enter blanks</b> , or carriage return/line feed (CR/LF) characters.

### Payee "B" Record - Record Layout Positions 544-750 Form 1099-B

Second TIN Notice (Optional)	Blank	Gross Proceeds Indicator	Date of Sale	CUSIP Number	Description
544	545-546	547	548-555	556-568	569-607

Blank	Special Data Entries	State Income Tax Withheld	Local Income Tax Withheld	Blank	Blank or CR/LF
608-662	663-722	723-734	735-746	747-748	749-750

### (5) Payee "B" Record - Record Layout Positions 544-750 for Form 1099-C

Field			
Position	Field Title	Length	Description and Remarks
544-546	Blank	3	<b>Enter blanks.</b>
547	Bankruptcy	1	Enter "1" (one) to indicate the debt was discharged in
		<b>Indicator</b>	<b>Usage</b>
		1	Debt <b>was</b> discharged in bankruptcy.

Blank      Debt **was not** discharged in bankruptcy.

548-555	Date Canceled	8	Enter the date the debt was canceled in the format of YYYYMMDD (i.e., 19981022). <b>Do not enter hyphens or slashes.</b>
556-594	Debt Description	39	Enter a description of the origin of the debt, such as student loan, mortgage, or credit card expenditure. If a combined Form 1099-C and 1099-A is being filed, also enter a description of the property.

**(5) Payee "B" Record - Record Layout Positions 544-750 for Form 1099-C  
(Continued)**

Field Position	Field Title	Length	Description and Remarks
595-662	Blank	68	<b>Enter blanks.</b>
663-722	Special Data Entries	60	This portion of the "B" Record may be used to record information for state or local government reporting or for the filer's own purposes. Payers should contact the state or local revenue departments for filing requirements. If this field is not utilized, <b>enter blanks.</b>
723-748	Blank	26	<b>Enter blanks.</b>
749-750	Blank	2	<b>Enter blanks</b> , or carriage return/line feed (CR/LF) characters.

**Payee "B" Record - Record Layout Positions 544-750  
Form 1099-C**

Blank	Bankruptcy Indicator	Date Canceled	Debt Description	Blank	Special Data Entries
544-546	547	548-555	556-594	595-662	663-722

Blank	Blank or CR/LF
723-748	749-750

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## (6) Payee "B" Record - Record Layout Positions 544-750 for Form 1099-DIV

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Field Position	Field Title	Length	Description and Remarks
544	Second TIN Notice (Optional)	1	Enter "2" to indicate notification by IRS twice within 3 calendar years that the payee provided an incorrect name and/or TIN combination; otherwise, <b>enter a blank.</b>
545-546	Blank	2	<b>Enter blanks.</b>
547-586	Foreign Country or U.S. Possession	40	Enter the name of the foreign country or U.S. possession to which the withheld foreign tax applies. If in the United States, <b>enter blanks.</b>
587-662	Blank	76	<b>Enter blanks.</b>
663-722	Special Data Entries	60	This portion of the "B" Record may be used to record information for state or local government reporting or for the filer's own purposes. Payers should contact the state or local revenue departments for filing requirements. If this field is not utilized, <b>enter blanks.</b>
723-734	State Income Tax Withheld	12	State income tax withheld is for the convenience of the filers. This information does not need to be reported to IRS. The payment amount must be right justified and

unused positions must be zero-filled. If not reporting state tax withheld, this field may be used as a continuation of the Special Data Entries field.

735-746	Local Income Tax Withheld	12	Local income tax withheld is for the convenience of the filers. This information does not need to be reported to IRS. The payment amount must be right justified and unused positions must be zero-filled. If not reporting local tax withheld, this field may be used as a continuation of the Special Data Entries field.
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#### (6) Payee "B" Record - Record Layout Positions 544-750 for Form 1099-DIV (Continued)

Field			
Position	Field Title	Length	Description and Remarks
747-748	Combined Federal/State Code	2	If this payee record is to be forwarded to a state agency as part of the Combined Federal/State Filing Program, enter the valid state code from Part A, Sec. 16, Table 1. For those payers or states not participating in this program, <b>enter blanks</b> .
749-750	Blank	2	<b>Enter blanks</b> , or carriage return/line feed (CR/LF) characters.

#### Payee "B" Record - Record Layout Positions 544-750 Form 1099-DIV

Second TIN Notice (Optional)	Blank	Foreign Country or U.S. Possession	Blank	Special Data Entries
544	545-546	547-586	587-662	663-722

State Income Tax	Local Income Tax	Combined Federal/State	Blank or CR/LF
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Withheld	Withheld	Code	
723-734	735-746	747-748	749-750

## (7) Payee "B" Record--Record Layout Positions 544-750 for Form 1099-G

Field			
Position	Field Title	Length	Description and Remarks
544-546	Blank	3	<b>Enter blanks.</b>

## (7) Payee "B" Record--Record Layout Positions 544-750 for Form 1099-G (Continued)

Field			
Position	Field Title	Length	Description and Remarks
547	Trade or Business Indicator	1	Enter "1" (one) to indicate the state or local income tax refund, credit, or offset (Amount Code 2) applies to income from a trade or business.
		<b>Indicator</b>	<b>Usage</b>
		1	Income tax refund is income from a trade or business.
		Blank	Income tax refund is a general tax refund.
548-551	Tax Year of Refund	4	Enter the tax year for which the refund, credit, or offset (Amount Code 2) was issued. <b>The tax year must reflect the year for which the payment was made, not the tax year of the Form 1099-G. The tax year must be in the four position format of YYYY (i.e. 1998). The valid range of years for the refund is 1988 through 1997.</b>
552-662	Blank	111	<b>Enter blanks.</b>
663-722	Special Data	60	This portion of the "B" Record may be used to record

## Entries

information for state or local government reporting or for the filer's own purposes. Payers should contact the state or local revenue departments for filing requirements. If this field is not utilized, **enter blanks**.

723-734	State Income Tax Withheld	12	State income tax withheld is for the convenience of the filers. This information does not need to be reported to IRS. The payment amount must be right justified and unused positions must be zero-filled. If not reporting state tax withheld, this field may be used as a continuation of the Special Data Entries field.
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## (7) Payee "B" Record--Record Layout Positions 544-750 for Form 1099-G (Continued)

Field	Position	Field Title	Length	Description and Remarks
	735-746	Local Income Tax Withheld	12	Local income tax withheld is for the convenience of the filers. This information does not need to be reported to IRS. The payment amount must be right justified and unused positions must be zero-filled. If not reporting local tax withheld, this field may be used as a continuation of the Special Data Entries field.
	747-748	Combined Federal/State Code	2	If this payee record is to be forwarded to a state agency as part of the Combined Federal/State Filing Program, enter the valid state code from Part A, Sec. 16, Table 1. For those payers or states not participating in this program, <b>enter blanks</b> .
	749-750	Blank	2	<b>Enter blanks</b> , or carriage return/line feed (CR/LF) characters.

## Payee "B" Record - Record Layout Positions 544-750 Form 1099-G

Blank	Trade or	Tax Year	Blank	Special	State
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	Business Indicator	of Refund		Data Entries	Income Tax Withheld
544-546	547	548-551	552-662	663-722	723-734

Local Income Tax Withheld	Combined Federal/ State Code	Blank or CR/LF
735-746	747-748	749-750

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### **(8) Payee "B" Record--Record Layout Positions 544-750 for Form 1099-INT**

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Field Position	Field Title	Length	Description and Remarks
544	Second TIN Notice (Optional)	1	Enter "2" to indicate notification by IRS twice within three calendar years that the payee provided an incorrect name and/or TIN combination; otherwise, <b>enter a blank.</b>
545-546	Blank	2	<b>Enter blanks.</b>
547-586	Foreign Country or U.S. Possession	40	Enter the name of the foreign country or U.S. possession to which the withheld foreign tax applies. If in the United States, <b>enter blanks.</b>
587-662	Blank	76	<b>Enter blanks.</b>
663-722	Special Data Entries	60	This portion of the "B" Record may be used to record information for state or local government reporting or for the filer's own purposes. Payers should contact the state or local revenue departments for filing requirements. You may enter your routing and transit number (RTN) here. If this field is not utilized, <b>enter blanks.</b>
723-734	State Income	12	State income tax withheld is for the convenience of the

## Tax Withheld

filers. This information does not need to be reported to IRS. The payment amount must be right justified and unused positions must be zero-filled. If not reporting state tax withheld, this field may be used as a continuation of the Special Data Entries field.

735-746	Local Income Tax Withheld	12	Local income tax withheld is for the convenience of the filers. This information does not need to be reported to IRS. The payment amount must be right justified and unused positions must be zero-filled. If not reporting local tax withheld, this field may be used as a continuation of the Special Data Entries field.
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## (8) Payee "B" Record--Record Layout Positions 544-750 for Form 1099-INT (Continued)

Field Position	Field Title	Length	Description and Remarks
747-748	Combined Federal/State Code	2	If this payee record is to be forwarded to a state agency as part of the Combined Federal/State Filing Program, enter the valid state code from Part A, Sec. 16, Table 1. For those payers or states not participating in this program, <b>enter blanks</b> .
749-750	Blank	2	<b>Enter blanks</b> , or carriage return/line feed (CR/LF) characters.

## Payee "B" Record - Record Layout Positions 544-750 Form 1099-INT

Second TIN Notice (Optional)	Blank	Foreign Country or U.S. Possession	Blank	Special Data Entries	State Income Tax Withheld
544	545-546	547-586	587-662	663-722	723-734
Local	Combined	Blank			

Income Tax Withheld	Federal/ State Code	or CR/LF
735-746	747-748	749-750

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**(9) Payee "B" Record--Record Layout Positions 544-750 for Form 1099-LTC**

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Field			
Position	Field Title	Length	Description and Remarks
544-546	Blank	3	<b>Enter blanks.</b>

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**(9) Payee "B" Record--Record Layout Positions 544-750 for Form 1099-LTC  
(Continued)**

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Field			
Position	Field Title	Length	Description and Remarks
547	Type of Payment Indicator	1	<b>Required.</b> Enter the appropriate indicator from the following table, otherwise, <b>enter blanks.</b>
		<b><u>Indicator</u></b>	<b><u>Usage</u></b>
		1	Per diem
		2	Reimbursed amount
548-556	Taxpayer Identification Number of Insured	9	<b>Required.</b> Enter the Taxpayer Identification Number of the insured.
557-596	Name of Insured	40	<b>Required.</b> Enter the name of the insured.
597-636	Mailing Address of Insured	40	<b>Required.</b> Enter the mailing address of the insured. Street address should include number, street, apartment or suite number (or P.O. Box if not delivered to street address). Left justify information and fill unused positions with blanks. This field <b>must not</b> contain any other data other than payee's mailing address.

**For U.S. addresses**, the payee city, state, and ZIP Code must be reported as a 40, 2, and 9 position field, respectively. **Filers must adhere to the correct format for the payee city, state, and ZIP code.**

**For foreign addresses**, filers may use the insured's city, state, and ZIP code as a continuous 51 position field. Enter information in the following order: city, province or state, postal code, and the name of the country. When reporting a foreign address, the Foreign Country Indicator in position 247 must contain a "1" (one).

637-676	City of Insured	40	<b>Required.</b> Enter the city, town, or post office. Left justify information and fill the unused positions with blanks. Enter APO or FPO if applicable, Do not enter state and Zip Code information in this field.
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**(9) Payee "B" Record--Record Layout Positions 544-750 for Form 1099-LTC (Continued)**

Field Position	Field Title	Length	Description and Remarks						
677-678	State of Insured	2	<b>Required.</b> Enter the valid U.S. Postal Service state abbreviations for states or the appropriate postal identifier (AA, AE, or AP) described in Part A, Sec. 18.						
679-687	ZIP Code of Insured	9	<b>Required.</b> Enter the valid nine digit ZIP Code assigned by the U.S. Postal Service. If only the first five digits are known, left justify information and fill the unused positions with blanks. For foreign countries, alpha characters are acceptable as long as the filer has entered a "1" (one) in the Foreign Country Indicator, located in position 247 of the "B" Record.						
688	Status of Illness Indicator (Optional)	1	Enter the appropriate code from the table below to indicate the status of the illness of the insured; otherwise, <b>enter blank:</b>  <table><tr><th><u>Indicator</u></th><th><u>Usage</u></th></tr><tr><td>1</td><td>Chronically ill</td></tr><tr><td>2</td><td>Terminally ill</td></tr></table>	<u>Indicator</u>	<u>Usage</u>	1	Chronically ill	2	Terminally ill
<u>Indicator</u>	<u>Usage</u>								
1	Chronically ill								
2	Terminally ill								
689-696	Date Certified	8	Enter the latest date of a doctor's certification of the status of the insured's illness. The format of the date is						

(Optional)

YYYYMMDD (e.g. 19981022).

697-722	Blank	26	<b>Enter blanks.</b>
723-734	State Income Tax Withheld	12	State income tax withheld is for the convenience of the filers. This information does not need to be reported to IRS. The payment amount must be right justified and unused positions must be zero-filled.
735-746	Local Income Tax Withheld	12	Local income tax withheld is for the convenience of the filers. This information does not need to be reported to IRS. The payment amount must be right justified and unused positions must be zero-filled.

**(9) Payee "B" Record--Record Layout Positions 544-750 for Form 1099-LTC  
(Continued)**

Field			
Position	Field Title	Length	Description and Remarks
747-748	Blank	2	<b>Enter blanks.</b>
749-750	Blank	2	<b>Enter blanks</b> , or carriage return/line feed (CR/LF) characters.

**Payee "B" Record--Record Layout Positions 544-750  
Form 1099-LTC**

Blank	Type of Payment Indicator	TIN of Insured	Name of Insured	Mailing Address of Insured	City of Insured	State of Insured	ZIP Code of Insured
544-546	547	548-556	557-596	597-636	637-676	677-678	679-687
Status of Illness Indicator (Optional)	Date Certified (Optional)	Blank	State Income Tax Withheld	Local Income Tax Withheld	Blank	Blank or CR/LF	
688	689-696	697-722	723-734	735-746	747-748	749-750	

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**(10) Payee "B" Record - Record Layout Positions 544-750 for Form 1099-MISC**

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Field Position	Field Title	Length	Description and Remarks
544	Second TIN Notice (Optional)	1	Enter "2" to indicate notification by IRS twice within 3 calendar years that the payee provided an incorrect name and/or TIN combination; otherwise, <b>enter a blank.</b>
545-546	Blank	2	<b>Enter blanks.</b>

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**(10) Payee "B" Record - Record Layout Positions 544-750 for Form 1099-MISC (Continued)**

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Field Position	Field Title	Length	Description and Remarks
547	Direct Sales Indicator (See <b>Note</b> )	1	Enter a "1" (one) to indicate sales of \$5,000 or more of consumer products to a person on a buy/sell, deposit/ commission, or any other commission basis for resale anywhere other than in a permanent retail establishment. Otherwise, <b>enter a blank.</b>

**Note: If reporting a direct sales indicator only, use Type of Return "A" in Field Position 27, and Amount Code 1 in Field Position 28 of the Payer "A" Record. All payment amount fields in the Payee "B" Record will contain zeros.**

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548-662	Blank	115	<b>Enter blanks.</b>
663-722	Special Data Entries	60	This portion of the "B" Record may be used to record information for state or local government reporting or for the filer's own purposes. Payers should contact the state or local revenue departments for filing requirements. If this field is not utilized, <b>enter blanks.</b>
723-734	State Income Tax Withheld	12	State income tax withheld is for the convenience of the filers. This information does not need to be reported to IRS. The payment amount must be right justified and unused positions must be zero-filled. If not reporting

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state tax withheld, this field may be used as a continuation of the Special Data Entries field.

735-746	Local Income Tax Withheld	12	Local income tax withheld is for the convenience of the filers. This information does not need to be reported to IRS. The payment amount must be right justified and unused positions must be zero-filled. If not reporting local tax withheld, this field may be used as a continuation of the Special Data Entries field.
747-748	Combined Federal/State Code	2	If this payee record is to be forwarded to a state agency as part of the Combined Federal/State Filing Program, enter the valid state code from Part A, Sec. 16, Table 1. For those payers or states not participating in this program, <b>enter blanks</b> .

**(10) Payee "B" Record - Record Layout Positions 544-750 for Form 1099-MISC (Continued)**

Field	Position	Field Title	Length	Description and Remarks
	749-750	Blank	2	<b>Enter blanks</b> , or carriage return/line feed (CR/LF) characters.

**Payee "B" Record--Record Layout Positions 544-750  
Form 1099-MISC**

Second TIN Notice (Optional)	Blank	Direct Sales Indicator	Blank	Special Data Entries	State Income Tax Withheld	Local Income Tax Withheld
544	545-546	547	548-662	663-722	723-734	735-746

Combined Federal/State Code	Blank or CR/LF
747-748	749-750

**(11) Payee "B" Record - Record Layout Positions 544-750 for Form**

## 1099-MSA

Field															
Position	Field Title	Length	Description and Remarks												
544	Blank	1	<b>Enter blank.</b>												
545	Document Specific/ Distribution Code	1	<b>Required.</b> Enter the applicable code to indicate the type of payment:  <table><tr><th><u>Code</u></th><th><u>Category</u></th></tr><tr><td>1</td><td>Normal distribution</td></tr><tr><td>2</td><td>Excess contributions</td></tr><tr><td>3</td><td>Disability</td></tr><tr><td>4</td><td>Death</td></tr><tr><td>5</td><td>Prohibited transaction</td></tr></table>	<u>Code</u>	<u>Category</u>	1	Normal distribution	2	Excess contributions	3	Disability	4	Death	5	Prohibited transaction
<u>Code</u>	<u>Category</u>														
1	Normal distribution														
2	Excess contributions														
3	Disability														
4	Death														
5	Prohibited transaction														

### (11) Payee "B" Record - Record Layout Positions 544-750 for Form 1099-MSA (Continued)

Field Position	Field Title	Length	Description and Remarks
546-662	Blank	117	<b>Enter blanks.</b>
663-722	Special Data Entries	60	This portion of the "B" Record may be used to record information for state or local government reporting or for the filer's own purposes. Payers should contact the state or local revenue departments for filing requirements. If this field is not utilized, <b>enter blanks.</b>
723-734	State Income Tax Withheld	12	State income tax withheld is for the convenience of the filers. This information does not need to be reported to IRS. The payment amount must be right justified and unused positions must be zero-filled. If not reporting state tax withheld, this field may be used as a continuation of the Special Data Entries field.
735-746	Local Income Tax Withheld	12	Local income tax withheld is for the convenience of the filers. This information does not need to be reported to IRS. The payment amount must be right justified and unused positions must be zero-filled. If not reporting



local tax withheld, this field may be used as a continuation of the Special Data Entries field.

747-748	Blank	2	<b>Enter blanks.</b>
749-750	Blank	2	<b>Enter blanks,</b> or carriage return/line feed (CR/LF) characters.

**Payee "B" Record--Record Layout Positions 544-750  
Form 1099-MSA**

Blank	Document Specific/ Distribution Code	Blank	Special Data Entries	State Income Tax Withheld	Local Income Tax Withheld
544	545	546-662	663-722	723-734	735-746

  

Blank	Blank or CR/LF
747-748	749-750

**(12) Payee "B" Record - Record Layout Positions 544-750 for Form 1099-OID**

Field Position	Field Title	Length	Description and Remarks
544	Second TIN Notice (Optional)	1	Enter "2" to indicate notification by IRS twice within 3 calendar years that the payee provided an incorrect name and/or TIN combination; otherwise, <b>enter a blank.</b>

545-546	Blank	2	<b>Enter blanks.</b>
547-585	Description	39	<b>Required.</b> Enter the CUSIP number, if any. If there is no CUSIP number, enter the abbreviation for the stock exchange and issuer, the coupon rate, and year ( <b>must be 4 digit year</b> ) of maturity (e.g., NYSE XYZ 12 1/2 1999). Show the name of the issuer if other than the payer. If fewer than 39 characters are required, left justify information and fill unused positions with blanks.
586-662	Blank	77	<b>Enter blanks.</b>
663-722	Special Data Entries	60	This portion of the "B" Record may be used to record information for state or local government reporting or for the filer's own purposes. Payers should contact the state or local revenue departments for filing requirements. If this field is not utilized, <b>enter blanks.</b>

## (12) Payee "B" Record - Record Layout Positions 544-750 for Form 1099-OID (Continued)

Field			
Position	Field Title	Length	Description and Remarks
723-734	State Income Tax Withheld	12	State income tax withheld is for the convenience of the filers. This information does not need to be reported to IRS. The payment amount must be right justified and unused positions must be zero-filled. If not reporting state tax withheld, this field may be used as a continuation of the Special Data Entries field.
735-746	Local Income Tax Withheld	12	Local income tax withheld is for the convenience of the filers. This information does not need to be reported to IRS. The payment amount must be right justified and unused positions must be zero-filled. If not reporting

local tax withheld, this field may be used as a continuation of the Special Data Entries field.

747-748	Combined Federal/State Code	2	If this payee record is to be forwarded to a state agency as part of the Combined Federal/State Filing Program, enter the valid state code from Part A, Sec. 16, Table 1. For those payers or states not participating in this program, <b>enter blanks</b> .
749-750	Blank	2	<b>Enter blanks</b> or carriage return/line feed (CR/LF) characters.

### Payee "B" Record - Record Layout Positions 544-750 Form 1099-OID

Second TIN Notice (Optional)	Blank	Description	Blank	Special Data Entries	State Income Tax Withheld
544	545-546	547-585	586-662	663-722	723-734

Local Income Tax Withheld	Combined Federal/State Code	Blank or CR/LF
735-746	747-748	749-750

### (13) Payee "B" Record - Record Layout Positions 544-750 for Form 1099-PATR

Field Position	Field Title	Length	Description and Remarks
544	Second TIN	1	Enter "2" to indicate notification by IRS twice within

Notice  
(Optional)

3 calendar years that the payee provided an incorrect name and/or TIN combination; otherwise, **enter a blank.**

545-662	Blank	118	<b>Enter blanks.</b>
663-722	Special Data Entries	60	This portion of the "B" Record may be used to record information for state or local government reporting or for the filer's own purposes. Payers should contact the state or local revenue departments for filing requirements. If this field is not utilized, <b>enter blanks.</b>
723-734	State Income Tax Withheld	12	State income tax withheld is for the convenience of the filers. This information does not need to be reported to IRS. The payment amount must be right justified and unused positions must be zero-filled. If not reporting state tax withheld, this field may be used as a continuation of the Special Data Entries field.

### (13) Payee "B" Record - Record Layout Positions 544-750 for Form 1099-PATR (Continued)

Field Position	Field Title	Length	Description and Remarks
735-746	Local Income Tax Withheld	12	Local income tax withheld is for the convenience of the filers. This information does not need to be reported to IRS. The payment amount must be right justified and unused positions must be zero-filled. If not reporting local tax withheld, this field may be used as a continuation of the Special Data Entries field.
747-748	Combined Federal/State Code	2	If this payee record is to be forwarded to a state agency as part of the Combined Federal/State Filing Program, enter the valid state code from Part A, Sec. 16, Table 1. For those payers or states not participating in this program, <b>enter blanks.</b>
749-750	Blank	2	<b>Enter blanks,</b> or carriage return/line feed (CR/LF) characters.

**Payee "B" Record - Record Layout Positions 544-750  
1099-PATR**

Second TIN Notice (Optional)	Blank	Special Data Entries	State Income Tax Withheld	Local Income Tax Withheld	Combined Federal/ State Code	Blank or CR/LF
544	545-662	663-722	723-734	735-746	747-748	749-750

**(14) Payee "B" Record - Record Layout Positions 544-750 for Form 1099-R**

Field			
Position	Field Title	Length	Description and Remarks
544	Blank	1	<b>Enter blank.</b>

**(14) Payee "B" Record - Record Layout Positions 544-750 for Form 1099-R  
(Continued)**

Field			
Position	Field Title	Length	Description and Remarks
545-546	Document Specific/ Distribution Code (For a detailed explanation of the distribution codes see the 1998 "Instructions for Forms 1099, 1098, 5498, and W-2G.")	2	<b>Required.</b> Enter the appropriate distribution code(s). More than one code may apply for Form 1099-R. If only one code is required, it must be entered in position 545. Position 546 must be blank. Enter at least one distribution code. A blank in position 545 is not acceptable. Enter the applicable code from the table that follows. Position 545 must contain a numeric code in all cases except when using D, E, F, G, H, J, K, L, M, P or S. Distribution Code A, B, or C, when applicable, must be entered in position 546 with the applicable code in position 545. When using Code P for an IRA distribution under section 408(d)(4) of the Internal Revenue Code, the filer may also enter Code 1 or 2 if applicable. Only three numeric combinations are acceptable, codes 8 and 1, codes 8 and 2 and codes 8 and 4, on one return. These three combinations can be used only if both

codes apply to the distribution being reported. If more than one numeric code is applicable to different parts of a distribution, except the three combinations mentioned above, report two separate "B" Records. Distribution Codes E, F, and H cannot be used in conjunction with other codes. Distribution Code G may be used in conjunction with Distribution Code 4 only, if applicable

**Code   Category**

- 1\*    Early distribution, no known exception
- 2\*    Early distribution, exception applies (as defined in section 72(q), (t), or (v) (other than disability or death)
- 3\*    Disability
- 4\*    Death (includes payments to an estate or other beneficiary)
- 5\*    Prohibited transaction
- 6     Section 1035 exchange

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**(14) Payee "B" Record - Record Layout Positions 544-750 for Form 1099-R  
(Continued)**

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Field Position	Field Title	Length	Description and Remarks
			7*    Normal distribution
			8*    Excess contributions plus earnings/excess deferrals (and/or earnings) taxable in 1998
			9     PS 58 costs
			A     May be eligible for 5- or 10-year tax option
			B     May be eligible for death benefit exclusion (See <b>Note</b> )
			C     May be eligible for both A and B (See <b>Note</b> )
			D*    Excess contributions plus earnings/excess deferrals taxable in 1996
			E     Excess annual additions under section 415
			F     Charitable gift annuity
			G**   Direct rollover to IRA
			H**   Direct rollover to qualified plan or is transferred to tax-sheltered annuity, or distribution from a conduit IRA that is payable to the trustee of an employer plan

J	Distribution from a Roth IRA in the first 5 years
K	Distribution from a 1998 Roth conversion IRA in first 5 years
L	Loans treated as deemed distributions under section 72(p)
M	Distribution from an education IRA
P*	Excess contributions plus earnings/excess deferrals taxable in 1997
S*	Early distribution from a SIMPLE IRA in first 2 years, no known exception

**\*If reporting an IRA, SEP, or SIMPLE distribution, use the IRA/SEP/SIMPLE Indicator of "1" (one) in position 548 of the Payee "B" Record.**

**\*\*Distribution Codes G and H cannot be used in combination with the IRA/SEP/SIMPLE Indicator in Field Position 548.**

**¡ Note: Do not use code B or C for payments with respect to employees who died after August 20, 1996.**

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#### **(14) Payee "B" Record - Record Layout Positions 544-750 for Form 1099-R (Continued)**

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Field Position	Field Title	Length	Description and Remarks
547	Taxable Amount Not Determined Indicator	1	Enter "1" (one) only if the taxable amount of the payment entered for Payment Amount Field 1 (Gross distribution) of the "B" Record cannot be computed; otherwise, <b>enter blank</b> . [If Taxable Amount Not Determined Indicator is used, enter "0's" (zeros) in Payment Amount Field 2 of the Payee "B" Record.] Please make every effort to compute the taxable amount.
548	IRA/SEP/Indicator	1	Enter "1" (one) if reporting a distribution from a traditional IRA. If the IRA/SEP/SIMPLE Indicator is used, enter the amount of the distribution in Payment Amount Field A of the Payee "B" Record. <b>Do not use the indicator for Roth IRA or Education IRA.</b>

**¡ Note: For Form 1099-R, generally, report the total amount distributed from a traditional IRA, SEP, or SIMPLE in Payment Amount Field (A) (IRA/SEP/SIMPLE**

Distribution), as well as Payment Amount Field 1 (Gross Distribution) of the "B" Record. Refer to the 1998 "Instructions for Forms 1099, 1098, 5498, and W-2G" for exceptions.

549	Total Distribution Indicator (See Note)	1	Enter a "1" (one) only if the payment shown for Amount Code 1 is a total distribution that closed out the account; otherwise, <b>enter a blank</b> .
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j **Note:** A total distribution is one or more distributions within one tax year in which the entire balance of the account is distributed. Any distribution that does not meet this definition is not a total distribution.

550-551	Percentage of Total Distribution	2	Use this field when reporting a total distribution to more than one person, such as when a participant is deceased and a payer distributes to two or more beneficiaries. Therefore, if the percentage is 100, leave this field blank. If the percentage is a fraction, round off to the nearest whole number (for example, 10.4 percent will be 10
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#### (14) Payee "B" Record - Record Layout Positions 544-750 for Form 1099-R (Continued)

Field Position	Field Title	Length	Description and Remarks
			percent; 10.5 percent will be 11 percent). Enter the percentage received by the person whose TIN is included in positions 12-20 of the "B" Record. This field must be right-justified, and unused positions must be zero-filled. If not applicable, <b>enter blanks</b> . Filers need not enter this information for any IRA distribution or for direct rollovers.
552-662	Blank	111	<b>Enter blanks.</b>
663-722	Special Data Entries	60	This portion of the "B" Record may be used to record information for state or local government reporting or for the filer's own purposes. The state/payer's state number, state distribution, name of locality, and/or local distribution can be entered in this field. Payers should



contact the state or local revenue departments for filing requirements. If this field is not utilized, **enter blanks**.

723-734	State Income Tax Withheld	12	State income tax withheld is for the convenience of the filers. This information does not need to be reported to IRS. The payment amount must be right justified and unused positions must be zero-filled. If not reporting state tax withheld, this field may be used as a continuation of the Special Data Entries field.
735-746	Local Income Tax Withheld	12	Local income tax withheld is for the convenience of the filers. This information does not need to be reported to IRS. The payment amount must be right justified and unused positions must be zero-filled. If not reporting local tax withheld, this field may be used as a continuation of the Special Data Entries field.

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**(14) Payee "B" Record - Record Layout Positions 544-750 for Form 1099-R**  
**(Continued)**

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Field			
Position	Field Title	Length	Description and Remarks
747-748	Combined Federal/State Code	2	If this payee record is to be forwarded to a state agency as part of the Combined Federal/State Filing Program, enter the valid state code from Part A, Sec. 16, Table 1. For those payers or states not participating in this program, <b>enter blanks</b> .
749-750	Blank	2	<b>Enter blanks</b> , or carriage return/line feed (CR/LF) characters.

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**Payee "B" Record--Record Layout Positions 544-750**  
**Form 1099-R**

Blank	Document	Taxable	IRA/SEP/SIMPLE	Total
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	Specific/ Distribution Code	Amount Not Determined Indicator	Indicator	Distribution Indicator
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544

545-546

547

548

549

Percentage of Total Distribution	Blank	Special Data Entries	State Income Tax Withheld	Local Income Tax Withheld	Combined Federal/ State Code	Blank or CR/LF
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550-551

552-662

663-722

723-734

735-746

747-748

749-750

### (15) Payee "B" Record - Record Layout Positions 544-750 for Form 1099-S

Field

Position	Field Title	Length	Description and Remarks
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544-546	Blank	3	<b>Enter blanks.</b>
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### (15) Payee "B" Record - Record Layout Positions 544-750 for Form 1099-S (Continued)

Field

Position	Field Title	Length	Description and Remarks
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547	Property or Services Indicator	1	<b>Required.</b> Enter "1" (one) if the transferor received or will receive property (other than cash and consideration treated as cash in computing gross proceeds) or services as part of the consideration for the property transferred. Otherwise, <b>enter a blank.</b>
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548-555	Date of Closing	8	<b>Required.</b> Enter the closing date in the format YYYYMMDD (e.g., 19981022). <b>Do not enter hyphens or slashes.</b>
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556-594	Address or Legal Description	39	<b>Required.</b> Enter the address of the property transferred (including city, state, and ZIP code). If the address does not sufficiently identify the property, also enter a legal description, such as section, lot, and block. For timber royalties, enter "TIMBER." If fewer than 39 positions are required, left justify information and fill unused
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			positions with blanks.
595-662	Blank	68	<b>Enter blanks.</b>
663-722	Special Data Entries	60	This portion of the "B" Record may be used to record information for state or local government reporting or for the filer's own purposes. Payers should contact the state or local revenue departments for filing requirements. If this field is not utilized, <b>enter blanks.</b>
723-734	State Income Tax Withheld	12	State income tax withheld is for the convenience of the filers. This information does not need to be reported to IRS. The payment amount must be right justified and unused positions must be zero-filled. If not reporting state tax withheld, this field may be used as a continuation of the Special Data Entries field.
735-746	Local Income Tax Withheld	12	Local income tax withheld is for the convenience of the filers. This information does not need to be reported to IRS. The payment amount must be right justified and

**(15) Payee "B" Record - Record Layout Positions 544-750 for Form 1099-S (Continued)**

Field Position	Field Title	Length	Description and Remarks
			unused positions must be zero-filled. If not reporting local tax withheld, this field may be used as a continuation of the Special Data Entries field.
747-748	Blank	2	<b>Enter blanks.</b>
749-750	Blank	2	<b>Enter blanks,</b> or carriage return/line feed (CR/LF) characters.

**Payee "B" Record - Record Layout Positions 544-750  
Form 1099-S**

Blank	Property or Services Indicator	Date of Closing	Address or Legal Description	Blank	Special Data Entries
544-546	547	548-555	556-594	595-662	663-722

State Income Tax Withheld	Local Income Tax Withheld	Blank	Blank or CL/RF
723-734	735-746	747-748	749-750

† **Note:** When reporting Form 1099-S, the "B" Record will reflect the seller/transferor information.

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## (16) Payee "B" Record - Record Layout Positions 544-750 for Form 5498

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Field			
Position	Field Title	Length	Description and Remarks
544-546	Blank	3	<b>Enter blank.</b>
547	<b>IRA</b> Indicator (Individual Retirement Account)	1	<b>Required, if applicable.</b> Enter "1" (one) if reporting a rollover (Amount Code 2) or Fair Market Value (Amount Code 4) for an IRA. Otherwise, <b>enter a blank.</b>
548	<b>SEP</b> Indicator (Simplified Employee Pension)	1	<b>Required, if applicable.</b> Enter "1" (one) if reporting a rollover (Amount Code 2) or Fair Market Value (Amount Code 4) for a SEP. Otherwise, <b>enter a blank.</b>

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549	<b>SIMPLE</b> Indicator (Savings Incentive Match Plan for Employees of Small employers)	1	<b>Required, if applicable.</b> Enter "1" (one) if reporting a rollover (Amount Code 2) or Fair Market Value (Amount Code 4) for a SIMPLE. Otherwise, <b>enter a blank.</b>
550	<b>Roth IRA</b> Indicator	1	<b>Required, if applicable.</b> Enter "1" (one) if reporting a rollover (Amount Code 2) or Fair Market Value (Amount Code 4) for a Roth IRA. Otherwise, <b>enter a blank.</b>
551	<b>Roth Conversion</b> Indicator	1	<b>Required, if applicable.</b> Enter "1" (one) if reporting a rollover (Amount Code 2) or Fair Market Value (Amount Code 4) for a Roth Conversion. Otherwise, <b>enter a blank.</b>
552	<b>Education IRA</b> Indicator	1	<b>Required, if applicable.</b> Enter "1" (one) if reporting a rollover (Amount Code 2) or Fair Market Value (Amount Code 4) for an Education IRA. Otherwise, <b>enter a blank.</b>
553-662	Blank	110	<b>Enter blanks.</b>

**(16) Payee "B" Record - Record Layout Positions 544-750 for Form 5498  
(Continued)**

Field Position	Field Title	Length	Description and Remarks
663-722	Special Data Entries	60	This portion of the "B" Record may be used to record information for state or local government reporting or for the filer's own purposes. Payers should contact the state or local revenue departments for filing requirements. If this field is not utilized, <b>enter blanks.</b>
723-746	Blank	24	<b>Enter blanks.</b>
747-748	Combined Federal/State Code	2	If this payee record is to be forwarded to a state agency as part of the Combined Federal/State Filing Program, enter the valid state code from Part A, Sec. 16, Table 1. For those payers or states not participating in this

program, **enter blanks.**

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749-750	Blank	2	<b>Enter blanks,</b> or carriage return/line feed (CR/LF) characters.
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**Payee "B" Record - Record Layout Positions 544-750  
Form 5498**

Blank	IRA Indicator	SEP Indicator	SIMPLE Indicator	Roth IRA Indicator	Roth Conversion Indicator	Education IRA Indicator
544-546	547	548	549	550	551	552

Blank	Special Data Entries	Blank	Combined Federal/ State Code	Blank or CR/LF
553-662	663-722	723-746	747-748	749-750

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**(17) Payee "B" Record - Record Layout Positions 544-750 for Form W-2G**

Field

Position	Field Title	Length	Description and Remarks	
544-546	Blank	3	<b>Enter blanks.</b>	
547	Type of Wager Code	1	<b>Required.</b> Enter the applicable type of wager code from the table below:	
			<u><b>Code</b></u>	<u><b>Category</b></u>
			1	Horse race track (or off-track betting of a horse track nature)
			2	Dog race track (or off-track betting of a dog track nature)
			3	Jai-alai
			4	State-conducted lottery

		5	Keno
		6	Bingo
		7	Slot machines
		8	Any other type of gambling winnings
548-555	Date Won	8	<b>Required.</b> Enter the date of the winning transaction in the format YYYYMMDD (e.g., 19981022). Do not enter hyphens or slashes. This is not the date the money was paid, if paid after the date of the race (or game).
556-570	Transaction	15	<b>Required .</b> For state-conducted lotteries, enter the ticket or other identifying number. For keno, bingo, and slot machines, enter the ticket or card number (and color, if applicable), machine serial number, or any other information that will help identify the winning transaction. For all others, <b>enter blanks</b> .
571-575	Race	5	If applicable, enter the race (or game) relating to the winning ticket; otherwise, <b>enter blanks</b> .
576-580	Cashier	5	If applicable, enter the initials of the cashier making the winning payment; otherwise, <b>enter blanks</b> .

**(17) Payee "B" Record - Record Layout Positions 544-750 for Form W-2G  
(Continued)**

Field Position	Field Title	Length	Description and Remarks
581-585	Window	5	If applicable, enter the window number or location of the person paying the winning payment; otherwise, <b>enter blanks</b> .
586-600	First ID	15	For other than state lotteries, enter the first identification number of the person receiving the winning payment; otherwise, <b>enter blanks</b> .
601-615	Second ID	15	For other than state lotteries, enter the second identification number of the person receiving the winnings; otherwise, <b>enter blanks</b> .

616-662	Blank	47	<b>Enter blanks.</b>
663-722	Special Data Entries	60	This portion of the "B" Record may be used to record information for state or local government reporting or for the filer's own purposes. Payers should contact the state or local revenue departments for filing requirements. If this field is not utilized, <b>enter blanks.</b>
723-734	State Income Tax Withheld	12	State income tax withheld is for the convenience of the filers. This information does not need to be reported to IRS. The payment amount must be right justified and unused positions must be zero-filled. If not reporting state tax withheld, this field may be used as a continuation of the Special Data Entries field.
735-746	Local Income Tax Withheld	12	Local income tax withheld is for the convenience of the filers. This information does not need to be reported to IRS. The payment amount must be right justified and unused positions must be zero-filled. If not reporting local tax withheld, this field may be used as a continuation of the Special Data Entries field.
747-748	Blank	2	<b>Enter blanks.</b>
749-750	Blank	2	<b>Enter blanks</b> , or carriage return/line feed (CR/LF) characters.

**Payee "B" Record - Record Layout Positions 544-750  
Form W-2G**

Blank	Type of Wager Code	Date Won	Transaction	Race	Cashier	Window	First ID
544-546	547	548-555	556-570	571-575	576-580	581-585	586-600

Second ID	Blank	Special Data Entries	State Income Tax Withheld	Local Income Tax Withheld	Blank	Blank or CR/LF
601-615	616-662	663-722	723-734	735-746	747-748	749-750

**Sec. 11. End of Payer "C" Record - General Field Descriptions and Record Layout**



**.01 The End of Payer "C" Record is a fixed record length of 750 positions.** The control total fields are each 18 positions in length.

**.02** The "C" Record consists of the total number of payees and the totals of the payment amount fields filed by a given payer and/or a particular type of return. The "C" Record must be written after the last "B" Record for each type of return for a given payer. For each "A" Record and group of "B" Records on the file, there must be a corresponding "C" Record.

**.03** In developing the "C" Record, for example, if a payer used Amount Codes 1, 3, and 6 in the "A" Record, the totals from the "B" Records would appear in Control Totals 1 (positions 16-33), 3 (positions 52-69), and 6 (positions 106-123) of the "C" Record. In this example, positions 34-51, 70-105, and 124-231 would be zero filled. Positions 232-748 would be blank filled.

**.04** Payers/Transmitters should verify the accuracy of the totals since data with missing or incorrect "C" Records will be returned for replacement.

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### Record Name: End of Payer "C" Record

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Field			
Position	Field Title	Length	Description and Remarks
1	Record Type	1	<b>Required.</b> Enter "C."

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### Record Name: End of Payer "C" Record (Continued)

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Field			
Position	Field Title	Length	Description and Remarks
2-9	Number of Payees	8	<b>Required.</b> Enter the total number of "B" Records covered by the preceding "A" Record. Right justify information and fill unused positions with zeros.
10-15	Blank	6	<b>Enter blanks.</b>
16-33	Control Total 1	18	<b>Required.</b> Accumulate totals of any payment amount fields in the "B" Record into the appropriate control total fields of the "C" Record. <b>Control totals must be right justified and unused control total fields zero-filled.</b> All control total fields are 18 positions in length.
34-51	Control Total 2	18	
52-69	Control Total 3	18	

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70-87	Control	18
	Total 4	
88-105	Control	18
	Total 5	
106-123	Control	18
	Total 6	
124-141	Control	18
	Total 7	
142-159	Control	18
	Total 8	
160-177	Control	18
	Total 9	
178-195	Control	18
	Total A	
196-213	Control	18
	Total B	
214-231	Control	18
	Total C	

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232-748	Blank	517	<b>Enter blanks.</b>
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749-750	Blank	2	<b>Enter blanks,</b> or carriage return/line feed (CR/LF) characters.
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### End of Payer "C" Record - Record Layout

Record Type	Number of Payees	Blank	Control Total 1	Control Total 2	Control Total 3	Control Total 4	Control Total 5	Control Total 6
1	2-9	10-15	16-33	34-51	52-69	70-87	88-105	106-123

Control Total 7	Control Total 8	Control Total 9	Control Total A	Control Total B	Control Total C	Blank	Blank or CR/LF
124-141	142-159	160-177	178-195	196-213	214-231	232-748	749-750

## Sec. 12. State Totals "K" Record - General Field Descriptions and Record Layout

**.01 The State Totals "K" Record is a fixed record length of 750 positions.** The control total fields are each 18 positions in length.

**.02** The "K" Record is a summary for a given payer and a given state in the Combined Federal/State Filing Program, used **only** when state reporting approval has been granted.

**.03** The "K" Record will contain the total number of payees and the totals of the payment amount fields filed by a given payer for a given state. The "K" Record(s) must be written after the "C" Record for the related "A" Record.

**.04** In developing the "K" Record, for example, if a payer used Amount Codes 1, 3, and 6 in the "A" Record, the totals from the "B" Records coded for this state would appear in Control Totals 1, 3, and 6 of the "K" Record.

**.05** There **must** be a separate "K" Record for **each state** being reported.

**.06** Refer to Part A, Sec. 16 for the requirements and conditions that **must** be met to file via this program.

**(1) State Totals "K" Record - Record Layout Forms 1099-DIV, 1099-G, 1099-INT, 1099-MISC, 1099-OID, 1099-PATR, 1099-R, and 5498**

Field Position	Field Title	Length	Description and Remarks
1	Record Type	1	<b>Required.</b> Enter "K."
2-9	Number of Payees	8	<b>Required.</b> Enter the total number of "B" Records being coded for this state. Right justify information and fill unused positions with zeros.

**(1) State Totals "K" Record - Record Layout Forms 1099-DIV, 1099-G, 1099-INT, 1099-MISC, 1099-OID, 1099-PATR, 1099-R, and 5498  
(Continued)**

Field Position	Field Title	Length	Description and Remarks
10-15	Blank	6	<b>Enter blanks.</b>
16-33	Control Total 1	18	<b>Required.</b> Accumulate totals of any payment amount fields in the "B" Records for each state being reported into the appropriate control total fields of the appropriate "K" Record. <b>Control totals must be right justified, and unused control total fields zero-filled.</b> All control total fields are 18 positions in length.
34-51	Control Total 2	18	
52-69	Control Total 3	18	
70-87	Control	18	

88-105	Total 4 Control	18	
106-123	Total 5 Control	18	
124-141	Total 6 Control	18	
142-159	Total 7 Control	18	
160-177	Total 8 Control	18	
178-195	Total 9 Control	18	
196-213	Total A Control	18	
214-231	Total B Control	18	
232-706	Total C Blank	475	<b>Enter blanks.</b>
707-724	State Income Tax Withheld Total	18	State income tax withheld totals is for the convenience of the filers. Aggregate totals of the state income tax withheld field in the Payee "B" Record; otherwise, <b>enter blanks.</b>

**(1) State Totals "K" Record - Record Layout Forms 1099-DIV, 1099-G, 1099-INT, 1099-MISC, 1099-OID, 1099-PATR, 1099-R, and 5498  
(Continued)**

Field Position	Field Title	Length	Description and Remarks
725-742	Local Income Tax Withheld Total	18	Local income tax withheld totals is for the convenience of the filers. Aggregate totals of the local income tax withheld field in the Payee "B" Record; otherwise, <b>enter blanks.</b>
743-746	Blank	4	<b>Enter blanks.</b>
747-748	Combined	2	<b>Required.</b> Enter the code assigned to the state which is

Federal/  
State Code

to receive the information. (Refer to Part A, Sec. 16,  
Table I.)

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749-750	Blank	2	<b>Enter blanks</b> or carriage return/line feed (CR/LF) characters.
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**State Totals "K" Record - Record Layout Forms 1099-DIV,  
1099-G, 1099-INT, 1099-MISC, 1099-OID, 1099-PATR, 1099-R,  
and 5498**

Record Type	Number of Payees	Blank	Control Total 1	Control Total 2	Control Total 3	Control Total 4	Control Total 5	Control Total 6
1	2-9	10-15	16-33	34-51	52-69	70-87	88-105	106-123

Control Total 7	Control Total 8	Control Total 9	Control Total A	Control Total B	Control Total C	Blank	State Income Tax Withheld Total	Local Income Tax Withheld Total
124-141	142-159	160-177	178-195	196-213	214-231	232-706	707-724	725-742

**State Totals "K" Record - Record Layout Forms 1099-DIV,  
1099-G, 1099-INT, 1099-MISC, 1099-OID, 1099-PATR, 1099-R,  
and 5498 (Continued)**

Blank	Combined Federal/State Code	Blank or CR/LF
743-746	747-748	749-750

**Sec. 13. End of Transmission "F" Record - General Field Descriptions and Record Layout**

**.01 The end of transmission "F" record is a fixed record length of 750 positions.** The "F" Record is a summary of the number of payers in the entire file.

**.02** This record should be written after the last "C" Record (or last "K" Record, when applicable) of the entire file.

---

### Record Name: End of Transmission "F" Record

---

Field Position	Field Title	Length	Description and Remarks
1	Record Type	1	<b>Required.</b> Enter "F."
2-9	Number of "A" Records	8	Enter the total number of Payer "A" Records in the entire file (right justify and zero fill) or enter all zeros.
10-30	Zero	21	Enter zeros.
31-748	Blank	718	<b>Enter blanks.</b>
749-750	Blank	2	<b>Enter blanks</b> or carriage return/line feed (CR/LF) characters.

---

### End of Transmission "F" Record - Record Layout

Record Type	Number of "A" Records	Zero	Blank	Blank or CR/LF
1	2-9	10-30	31-748	749-750

## Part C. Bisynchronous (Mainframe) Electronic Filing Specifications

### Sec. 1. General

**In compliance with Year 2000 changes, the current bisynchronous electronic filing communication package will not be offered next year.**

**.01** Bisynchronous electronic filing of Forms 1098, 1099, 5498, and W-2G, originals, corrections, and replacements of information returns is offered as an alternative to magnetic media (tape, tape cartridge, 8mm, 4mm, ¼ inch QIC tape cartridge or diskette) or paper filing, but is not a requirement. This method uses IBM 3780 communications protocols and is used primarily by mainframe filers. Electronic filing will fulfill the magnetic media requirements for those payers who are required to file magnetically. It may also be used by payers who are under the filing threshold requirement, but would prefer to file their information returns this way.

**.02** The electronic filing of information returns is not affiliated with the Form 1040 electronic filing program. These two programs are totally independent, and filers must obtain separate approval to participate in each of them. All inquiries concerning the electronic filing of information returns should be directed to IRS/MCC. IRS/MCC personnel cannot answer questions or assist taxpayers in the filing of Form 1040 tax returns. Filers with questions of this nature will be directed to the Customer Service toll-free number **(1-800-829-1040)** for assistance.

**.03** Filers participating in the electronic filing program for information returns will submit their returns to IRS/MCC electronically, and not through magnetic media or paper filing.

**.04** If a request for extension is approved, transmitters who file electronically will be granted an extension of 30 days to file. Part A, Sec. 11, explains procedures for requesting extensions of time. Filers are encouraged to file their data as soon as possible.

**.05** The formats of the "T", "A", "B", "C", "K", and "F" Records are the same for electronically filed records as they are for 5 ¼- and 3 ½-inch diskettes, tapes, and tape cartridges. For electronically filed documents, each transmission is considered a separate file; therefore each transmission **must** begin with a Transmitter "T" Record and end with an End of Transmission (EOT) "F" Record.

## **Sec. 2. Electronic Filing Approval Procedure**

**.01** Filers must obtain, or already have, a Transmitter Control Code (TCC) assigned to them prior to submitting their files electronically. (Filers who currently have a TCC for magnetic filing do not have to request a second TCC for electronic filing.) Refer to Part A, Sec. 7, for information on how to obtain a TCC.

**.02** Filers using bisynchronous protocols must obtain an IRS/MCC-assigned password prior to submitting test or actual data files. To obtain a password, the following steps must be taken:

**(a)** Bisynchronous filers who already have a TCC must submit either Form 4419 or a letter to indicate that they wish to file information returns electronically. Another TCC will not be assigned. If a letter is submitted, it must contain the following:

- 1)** Name and address of transmitter.
- 2)** Transmitter Control Code.
- 3)** Name and phone number of a contact person within the filer's organization to whom a password will be assigned.

- (b) Within 30 days of receiving the application or letter, IRS/MCC will send Form 6086, Time Sharing Operation (TSO) Password Assignment, to the filer which will contain the password to be used for electronic submissions.
- (c) Upon receipt of Form 6086, the user (person who will actually transmit the data) will separate the acknowledgment from the password. Both the user and the user's manager **must** sign the acknowledgment and mail to:

§

Chief, Security and Disclosure Branch  
IRS, Martinsburg Computing Center  
P. O. Box 1208, MS-370  
Martinsburg, WV 25402

- (d) The users or filers should retain a copy of the signed acknowledgment for their records. It is the filer's responsibility to ensure that the password is not compromised. Access to IRS/MCC computers will not be allowed without a valid password. After a password is received and the acknowledgment returned, the filer may submit a data file.
- (e) If filers have any questions relating to the security procedures, and/or they need to report their password has been compromised, they must contact IRS/MCC as soon as possible at:

§

IRS/MCC  
Information Returns Branch  
P. O. Box 1359  
Martinsburg, WV 25402-1359



or by calling: **304-263-8700.**

**.03** It is the user's responsibility to remember the password and not allow the password to be compromised.

### **Sec. 3. Test Files**

**.01** Filers are not required to submit a test file; however, the submission of a test file is encouraged for first time electronic filers in order to resolve any data or communication problems prior to the filing season. If filers wish to submit an electronic test file for Tax Year 1998 (returns to be filed in 1999), it **must** be submitted to IRS/MCC **no earlier than** November 1, 1998, and no later than December 15, 1998.

**.02** If a filer encounters problems while transmitting electronic test files, contact IRS/MCC for assistance.

**.03** A password must be obtained before submitting an electronic test file.



**.04** Bisynchronous electronic test files will be processed and filers will be notified as to the acceptability of their data within 5 workdays of the date the data and transmittal Form 4804 are received by IRS/MCC.

**.05 A test file is required from filers who want approval for the Combined Federal/State Filing Program. See Part A, Sec. 16, for further details.**

## **Sec. 4. Electronic Submissions**

**.01** Electronically filed information may be submitted to IRS/MCC 7 days a week, 24 hours a day, except for routine maintenance/backup which is performed at 4:00 a.m. Eastern Time. Technical assistance will be available Monday through Friday between 8:30 a.m. and 4:30 p.m. Eastern Time by calling **304-263-8700**.

**.02** Lengthy transmissions (**100,000 or more records**) are not encouraged since the transmission may be interrupted by line noise problems. **It is advisable to break lengthy files into multiple transmissions.**

**.03** The time required to transmit information returns electronically will vary depending on the modem speed, if IBM 3780 data compression is used, and if the records are blocked.

## **Sec. 5. Transmittal Requirements**

**.01** All data submitted electronically is verified by transmittal Form 4804. The transmitter must mail the signed Form 4804 the same day the transmission is made. No return is considered filed until a Form 4804 is received by IRS/MCC.

**.02** Form 4804 can be ordered by calling the IRS toll free forms and publications order number **1-800-TAX-FORM (1-800-829-3676)** or it may be computer-generated. **A copy of the form is also available in the back of this publication.** The Form 4804 can be downloaded from **IRP-BBS at 304-264-7070** or from the **Internet at <http://www.irs.ustreas.gov>**. If a filer chooses to computer-generate Form 4804, all of the information contained on the original form, including the affidavit, must also be contained on the computer-generated form.

**.03** The TCC in the "T" Record must be the TCC used to transmit the file and should appear on the transmittal Form 4804.

**.04** Forms 4804 may be mailed to the following addresses:

**Please indicate on the envelope the following message:**

**CONTAINS FORM 4804 INFORMATION - NO MAGNETIC MEDIA**

If by Postal Service: §  
IRS-Martinsburg Computing Center  
Information Reporting Program  
**Attn: Electronic Filing Coordinator**  
P. O. 1359

Martinsburg, WV 25402-1359

**Note: The ZIP Code has changed from 25401-1359 to 25402-1359 for the IRS-MCC P.O. Box addresses for Martinsburg, WV.**

**Please indicate on the envelope the following message:**

**CONTAINS FORM 4804 INFORMATION - NO MAGNETIC MEDIA**

If by truck or air freight: ¶  
IRS-Martinsburg Computing Center  
Information Reporting Program  
**Attn: Electronic Filing Coordinator**  
Route 9 and Needy Road  
Martinsburg, WV 25401

## **Sec. 6. IBM 3780 Bisynchronous Communication Specifications**

**In compliance with Year 2000 changes, the current bisynchronous electronic filing communication package will not be offered next year.**

**.01** Transmissions using IBM 3780 bisynchronous protocols must be in EBCDIC character code. Modems must be compatible with either Bell 208B for 4800 bps transmissions, AT&T 2296A for 9600 bps transmissions, or Hayes OPTIMA 288 V.FC Smartmodem for 14400 bps transmissions. These modems are dial-up type modems using the Public Switched Telephone Network. IBM 3780 data compression is acceptable for any bisynchronous transmission. Records may be blocked up to 4096 bytes with INTER RECORD SEPARATORS.

**.02** IRS/MCC will accept information returns filed electronically over switched telecommunications network circuits. For 4800 bps, the circuit will be **304-264-7080**. For 9600 bps, the circuit will be **304-264-7040**. **For 14400 bps, the circuit will be 304-264-7045.** These circuits are equipped for bisynchronous transmission using the IBM 3780 protocol.

**.03** The 4800 bps line terminates at a Bell 208B modem. The Bell 208B modem uses phase-shift keying and eight-phase modulation to transmit binary serial data signals over the telephone line in half-duplex mode. The following options have been selected:

- Transmit Level set to -4 dBm
- Compromise Equalizer in (4-Db Slope)
- DSR off in Analog Loop Mode
- Automatic Answer
- Transmitter Internally Timed
- RS-CS Interval of 50 ms

**.04** The 9600 bps line terminates at an AT&T Dataphone II 2296A modem. The AT&T 2296A modem is a full-duplex, CCITT V.32 compatible unit which operates at 9600 bps or 4800 bps (fallback). The following options have been selected:

- Receiver Responds to Remote Loopback
- Loss-of-Carrier Disconnect
- Received-Space Disconnect
- Send-Space Disconnect
- Automatic Answer
- Answer on Ring 1
- DTR Interlock
- Retrain Enable
- Internal Timing
- CTS Controlled by RTS
- 0 - 1 ms RTS to CTS Delay
- CTS Dependent on Carrier
- RR Indicates Carrier
- 9600 Trellis Coding
- 4800 bps Fallback
- 4 dB Compromise Equalization

**.05** The 14400 bps line terminates at a Hayes OPTIMA 288 V.FC Smartmodem. The Hayes OPTIMA Smartmodem is a half-duplex, ITU-T (formerly CCITT) V.32 and V.32 bis compatible unit which operates at 14400 bps, 9600 bps, or 4800 bps (fallback). The following options have been selected:

- Monitor DTR signal
- Assert DSR signal after handshake negotiation, but before connect result code
- Ring control S=1

## **Sec. 7. Bisynchronous Electronic Filing Record Specifications**

**.01** For bisynchronous filing there are two additional identifier records which must be used to transmit data. These records are 750 positions in length and are the first (\$\$REQUEST) and second (\$\$ADD) records sent in an electronic transmission. The purpose of these records is to provide the password and identity of the transmitter. These records may be shorter as long as inter record separators are used. The \$\$REQUEST, \$\$ADD, and the data file should be transmitted as one file. In some cases, filers have attempted to send the \$\$REQUEST and \$\$ADD as separate files. Doing this will result in a failed transmission.

**.02** With the exception of these additional records, the file format for electronic filing is the same as for magnetic media filing. The format of each of these records is as follows:

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**Record Name: \$\$REQUEST**

Field Position	Field Title	Length	Description and Remarks
1-20	\$\$REQUEST Identifier Record	20	Enter the following characters:  \$\$REQUEST ID=MSGFILE
21-750	Blank	730	<b>Enter blanks.</b>

---

**Electronic Filing Identifier \$\$REQUEST RECORD - Record Layout**

\$\$Request Identifier Record	Blank
1-20	21-750

**.03** Upon making contact with IRS/MCC and furnishing a valid password in the \$\$ADD identifier record, a data transmission session will commence. The transmission will continue until an End of Transmission (EOT) "F" Record is received. At the end of each transmission, the following message should be received electronically by the filer: "DATA RECEIVED AT MCC" and the line will be disconnected. If this message is not received, there was a problem with the submission, and the filer should contact IRS/MCC immediately.

**.04** Upon receiving a data file and transmittal Form 4804, IRS/MCC will release the data for further processing. If the data cannot be processed, the filer will be notified by either letter or telephone that the data must be retransmitted. This file name, if necessary, will be provided by IRS/MCC and is to be placed in positions 45-51 of the \$\$ADD record when the file is retransmitted.

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**Record Name: \$\$ADD**

Field Position	Field Title	Length	Description and Remarks
1-9	\$\$ADD Identifier Record	9	Enter the following characters: \$\$ADD ID=
10-17	Password	8	Enter the password assigned by IRS/MCC. For

information concerning the password, see Part C, Sec. 2.

18	Blank	1	<b>Enter a blank.</b>
19-26	BATCHID	8	Enter the following characters: BATCHID=
27	Quote	1	Enter a single quote (').
28-43	Transmitter Name	16	Enter the transmitter's name. This name should remain consistent in all transmissions. If the transmitter's name exceeds 16 positions, truncate the name.
44	Type of File Indicator	1	Enter the Type of File Indicator from the list below:  O = Original filing T = Test File C = Correction file R = Replacement file E = Extension File
45-51	Replacement File Name	7	<b>Use this field only if this is a replacement file.</b> Enter the replacement file name which IRS/MCC has assigned to this file. This file name will be provided to the filer in the letter notifying them that a replacement file is necessary. If contact is made by telephone, the replacement file name will be given to the filer by IRS/MCC at that time. For other than replacement files, this field will contain blanks.
52	Quote	1	Enter a single quote (').

### Record Name: \$\$ADD (Continued)

Field Position	Field Title	Length	Description and Remarks
53-750	Blank	698	<b>Enter blanks.</b>

## Electronic Filing Identifier \$\$ADD Record - Record Layout

\$\$ADD Identifier Record	Password	Blank	BATCHID	Quote	Transmitter Name
1-9	10-17	18	19-26	27	28-43

Type of File Indicator	Replacement File Name	Quote	Blank
44	45-51	52	53-750

## Part D. Asynchronous (IRP-BBS) Electronic Filing Specifications

### Sec. 1. General

**.01** Asynchronous electronic filing of Forms 1098, 1099, 5498, and W-2G, originals, corrections, and replacements of information returns is offered as an alternative to magnetic media (tape, tape cartridge, or diskette) or paper filing, but is not a requirement. Electronic filing using the Information Reporting Program-Bulletin Board System (IRP-BBS) will fulfill the magnetic media requirements for those payers who are required to file magnetically. It may also be used by payers who are under the filing threshold requirement, but would prefer to file their information returns this way. If the original file was sent magnetically, but was returned for replacement, the replacement may be transmitted electronically. Also, if the original file was submitted via magnetic media, any corrections may be transmitted electronically.

**.02** The electronic filing of information returns is not affiliated with the Form 1040 electronic filing program. These two programs are totally independent, and filers must obtain separate approval to participate in each of them. All inquiries concerning the electronic filing of information returns should be directed to IRS/MCC. IRS/MCC personnel cannot answer questions or assist taxpayers in the filing of Form 1040 tax returns. Filers with questions of this nature will be directed to the Customer Service toll-free number (1-800-829-1040) for assistance.

**.03** Filers participating in the electronic filing program for information returns, will submit their returns to IRS/MCC electronically and not through magnetic media or paper filing. Files submitted in this manner must be in standard ASCII code.

**.04** If a request for extension is approved, transmitters who file electronically will be granted an extension of time to file. Part A, Sec. 11, explains procedures for requesting extensions of time. Filers are encouraged to file their data as soon as possible.

**.05** The formats of the "T", "A", "B", "C", "K", and "F" Records are the same for electronically filed records as they are for 5 ¼- and 3 ½-inch diskettes, tapes, and tape cartridges and must be in standard ASCII code. For electronically filed documents, each transmission is considered a separate file;

therefore each transmission **must** begin with a Transmitter "T" Record and end with an End of Transmission (EOT) "F" Record.

## **Sec. 2. Electronic Filing Approval Procedure**

**.01** Filers must obtain, or already have, a Transmitter Control Code (TCC) assigned to them prior to submitting their files electronically. (Filers who currently have a TCC for magnetic filing do not have to request a second TCC for electronic filing.) Refer to Part A, Sec. 7, for information on how to obtain a TCC.

**.02** Once a TCC is obtained, filers using IRP-BBS assign their own passwords and do not need special approval.

**.03** With all passwords, it is the user's responsibility to remember the password and not allow the password to be compromised. However, if filers do forget their password, call **304-263-8700** for assistance.

**! Note: Passwords on the IRP-BBS are case sensitive.**

## **Sec. 3. Test Files**

**.01** Filers are not required to submit a test file; however, the submission of a test file is encouraged for first time electronic filers in order to resolve any data or communication problems prior to the filing season. If filers wish to submit an electronic test file for Tax Year 1998 (returns to be filed in 1999), it **must** be submitted to IRS/MCC **no earlier than** November 1, 1998, and **no later than** December 15, 1998.

**.02** If a filer encounters problems while transmitting the electronic test files, contact IRS/MCC for assistance.

**.03** Filers can verify the status of their transmitted test data by dialing the IRP-BBS. This information will be available within two workdays after their transmission is received by IRS/MCC.

**.04 A test file is required from filers who want approval for the Combined Federal/State Filing Program. See Part A, Sec. 16 for further details.**

## **Sec. 4. Electronic Submissions**

**.01** Electronically filed information may be submitted to IRS/MCC 24 hours a day, 7 days a week. Technical assistance will be available Monday through Friday between 8:30 a.m. and 4:30 p.m. Eastern Time by calling **304-263-8700**.

**.02** Filers may submit as many documents as they choose electronically. Filers are allowed 240 minutes a day; however, more time may be requested if needed. It may be advantageous to break down large files (**files in excess of two hours of transmission time**) into several smaller files. For example, if large files contain several types of returns or payers, transmit each type of return or payer as a separate

file. As a result, if only one of the files is incorrect, a replacement would be needed for only the incorrect file.

**.03 Do not transmit data using IRP-BBS January 1 through January 7.** This will allow time for the IRP-BBS to be updated to reflect current year changes.

**.04** Data compression is encouraged when submitting information returns by way of the IRP-BBS. MCC has the ability to decompress files created using several popular software compression programs such as ARC, LHARC, and PKZIP. Software data compression can be done alone or in conjunction with V.42bis hardware compression.

The time required to transmit information returns electronically will vary depending on the modem speed and the type of data compression used, if any. However, transmissions to IRP-BBS will be significantly faster than electronic filing to the mainframe. **The time required to transmit a file can be reduced by as much as 85 percent by using software compression and hardware compression.**

The following are actual transmission rates achieved in test uploads at MCC using compressed files (PKZIP) and the XMODEM-1K protocol. The actual transmission rates will vary depending on the protocol that is used. (ZMODEM is normally the fastest protocol and XMODEM and KERMIT are the slower protocols.)

Transmission Speed in bps	500 Records	2500 Records	10000 Records
9600	1 min	4 min	16 min
19200	45 sec	2 min	9 min
38400	30 sec	1 min	4 min

**.05** Files submitted to IRP-BBS must have a unique filename; therefore, the IRP-BBS will build the filename that must be used. The name will consist of the filer's TCC, submission type (T = Test, P = Production, C = Correction, and R = Replacement) and a sequence number. Filers may call the file anything they choose on their end. The sequence number will be incremented every time the filers send, or attempt to send, a file. Record the upload date, time, and filename. This information will be needed by MCC in order to identify the file if assistance is required and to complete Form 4804.

**.06** Electronic filers must transmit their files by the due date of the return. If a file is bad, the filer will have 45 days to transmit the first replacement file and 30 days thereafter if additional replacements are necessary.



**.07 Filers are advised not to resubmit an entire file if records were omitted from the original transmission. This will result in duplicate filing. A new file should be sent consisting of the records that had not previously been submitted.**

**.08 The TCC in the Transmitter "T" Record must be the TCC used to transmit the file.**

## **Sec. 5. Transmittal Requirements**

**.01** The results of the electronic transmission will be posted to the (F)ile Status area of the IRP-BBS; however, no further processing will occur until the signed Form 4804 is received. The transmitter must send the signed Form 4804 the same day the electronic transmission is made. No return is considered filed until a Form 4804 is received by IRS/MCC.

**.02** Form 4804 can be ordered by calling the IRS toll-free forms and publication order number **1-800-TAX-FORM, (1-800-829-3676)**, downloaded from the **IRP-BBS at 304-264-7070**, or it may be computer-generated. It may also be obtained from the **Internet at <http://www.irs.ustreas.gov>**. A copy of the form is also available in the back of this publication. If a filer chooses to computer-generate Form 4804, all of the information contained on the original form, including the affidavit, must also be contained on the computer-generated form.

**.03** The TCC is used in the Transmitter "T" Record is the TCC which must appear on the transmittal Form 4804.

**.04** Forms 4804 may be mailed to the following addresses:

If by Postal Service: §  
IRS-Martinsburg Computing Center  
Information Reporting Program  
**Attn: Electronic Filing Coordinator**  
P. O. Box 1359  
Martinsburg, WV 25402-1359

**Please indicate on the envelope the following message:  
CONTAINS FORM 4804 INFORMATION - NO MAGNETIC MEDIA**

**; Note: The ZIP Code has changed from 25401-1359 to 25402-1359 for the IRS P.O. Box addresses for Martinsburg, WV.**

If by air or truck freight: ¶  
IRS-Martinsburg Computing Center  
Information Reporting Program  
**Attn: Electronic Filing Coordinator**  
Route 9 and Needy Road  
Martinsburg, WV 25401

## **Sec. 6. Information Reporting Program-Bulletin Board System (IRP-BBS) Specifications**

**.01** The IRP-BBS is an electronic bulletin board system available to filers of information returns. In addition to filing information returns electronically, the IRP-BBS provides other capabilities. Some of the advantages of IRP-BBS are as follows:

- (1) Notification within two workdays as to the acceptability of the data transmitted.
- (2) Immediate access to the latest changes and updates that affect the Information Reporting Program at IRS/MCC (program, legislative, etc.).
- (3) Access to publications such as the Publication 1220 as soon as they are available.
- (4) Capability to communicate with IRS/MCC personnel.
- (5) Ability to retrieve information and files applicable to the IRP-BBS.

**.02** The IRP-BBS is available for public use and accessible using various personal computer communications equipment; however, electronic submission of information returns is limited to holders of valid TCCs. A TCC is not needed to access those portions of the IRP-BBS that contain forms and publications or to leave questions or messages for IRS/MCC personnel.

**.03** Filers using IRP-BBS can determine the acceptability of files submitted by checking the file status area of the bulletin board. These reports are not immediately available but will be available two workdays after the transmission is received by IRS/MCC.

**.04** Contact the IRP-BBS by dialing **304-264-7070**. The communication software settings for IRP-BBS are:

- No parity
- Eight data bits
- One stop bit
- Full duplex

The communication software should be set up to use the fastest speed allowed by the filer's modem.

**.05** Due to the large number of communication products available, it is impossible to provide specific information on a particular software package or hardware configuration. Filers should contact their software or hardware supplier for assistance.

**.06** IRP-BBS software provides a menu-driven environment allowing access to different parts of IRP-BBS. Whenever possible, IRS/MCC personnel will provide assistance in resolving any communication problems with IRP-BBS.

**.07** IRP-BBS can be accessed at speeds from 1200 to 28,800 bps. The speed is automatically negotiated for connection at the speed of the calling modem. The communication standards supported include Industry Standard 212A, V.22bis, V.32, V.32bis, V.34, and V.FC. Point-to-point error control is supported using the V.42 ITU-T standard or MNP 2-4. Data compression is supported using V.42bis ITU-T standard or MNP5.

## **Sec. 7. IRP-BBS First Logon Procedures**

**.01** The following information will be requested to set up the filer's user profile when

logging onto the IRP-BBS for the first time.

(a) Enter the letter, that corresponds to the filer's terminal, from the following:

<A> IBM PC	<B> IBM w/ANSI	<C> Atari
<D> ADM-3	<E> H19/Z19/H89	<F> Televid 925
<G> TRS-80	<H> Vidtex	<I> VT-52
<J> VT-100	<CR> if none of the above	

Most PCs, clones, etc., will select the IBM PC emulation. Machines with color, CGA, EGA, or VGA should select IBM w/ANSI.

(b) Upper/lower case, line feed needed, O (zero) nulls after each <CR>, do you wish to modify this? (Most users answer no.)

### Common User Problems

Problem	Probable Cause	Solution
File does not upload/download	Not starting communication when prompted by 'Awaiting Start Signal'	Start upload/download on filers end
All files not processed	Compressing several files into one filename	Compress only one file for every filename
Replacement needed	Original data does not meet processing and/or format requirements	Replacement must be submitted within 45 days of original transmission
Cannot determine file status	Not dialing back to IRP-BBS to check the status of the file	Within 24 to 48 hours after sending a file, check under (F)ile Status for notification of acceptability

### Common User Problems (Continued)

Problem	Probable Cause	Solution
Transfer aborts before it starts	Transfer protocol mismatch	Ensure protocols match on both the sending and receiving ends
Loss of carrier during session	Incorrect modem settings on user's end	Reference your modem manual about increasing the value of the S10 register

Unreadable screens after selecting "IBM w/ANSI"	ANSI.SYS driver not loaded in the user's PC	Select non ANSI under (Y)our settings
IRS cannot complete final processing of data	User did not mail the Form 4804	Mail completed Form 4804 the same day as the electronic transmission
IRS cannot determine which file is being replaced	User did not indicate which file is being replaced	Must enter the original filename that is being replaced under the replacement option
IRS cannot determine the type of file being sent	User incorrectly indicated T, P, C, or R for the type of file	When prompted, enter the correct type of file for the data being sent
Replacement file not returned within 45 days to check status of file	User did not dial back to IRP-BBS	Within two workdays check under (F)ile Status for notification of acceptability
Duplicate data	Transmitter sends corrections for entire file	Only submit corrections for incorrect records

## Part E. Magnetic/Electronic Specifications For Extensions of Time

### Sec. 1. General

**.01** The specifications in Part E include the required 200-byte record format for extensions of time to file requests submitted magnetically or electronically. Also included are the instructions for the information that is to be entered in the record. **Filers are advised to read this section in its entirety to ensure proper filing.**

**.02** Only filers who have been assigned a Transmitter Control Code may request an extension of time magnetically or electronically. If you meet the threshold of more than 50 payers when requesting an extension but are below the 250 documents threshold, you must still submit a Form 4419, Application for Filing Information Returns Magnetically/Electronically. Requests for extensions of time may be made for Forms 1098, 1099, 5498, W-2G, W-2, and 1042-S.

**.03** For Tax Year 1998 (returns due to be filed in 1999), transmitters requesting an extension of time to file for **more than 50 payers (not payees) are required to file the extension request magnetically or electronically.** Transmitters requesting an extension of time for 10 to 50 payers (not payees) are

encouraged to file the request magnetically or electronically. The request may be filed on tape, tape cartridge, 5 ¼- and 3 ½-inch diskette, or electronically.

**.04** For extension requests filed on magnetic media, the transmitter must mail the completed, signed Form 8809, Request for Extension of Time To File Information Returns, in the same package as the corresponding media. For extension requests filed electronically, the transmitter must FAX the Form 8809 the same day the transmission is made.

**.05 Transmitters submitting an extension of time magnetically or electronically should not submit a list of payer names and TINs with the Form 8809 since this information is included on the magnetic or electronic file. However, Line 6 of the Form 8809 must be completed with the total number of records included on the magnetic media or electronic file.**

**.06** To be considered, an extension request must be postmarked or transmitted by the due date of the returns; otherwise, the request will be denied.

**.07** The extension record format is also on the IRP-BBS and can be downloaded. **See Part D for more information on how to contact the IRP-BBS.**

**.08** A magnetically-filed request for an extension of time should be sent using the following addresses:

If by Postal Service:       §  
IRS-Martinsburg Computing Center  
Information Reporting Program  
**Attn: Extension of Time Coordinator**  
P. O. Box 879  
Kearneysville, WV 25430

If by truck or air freight:   ¶  
IRS-Martinsburg Computing Center  
Information Reporting Program  
**Attn: Extension of Time Coordinator**  
Route 9 and Needy Road  
Martinsburg, WV 25401

**¡ Note: Due to the large volume of mail received by IRS/MCC and the time factor involved in processing the Form 8809, it is imperative that the attention line be present on all envelopes or packages containing Extension of Time (EOT) requests.**

**.09** Requests for extensions of time to file postmarked by the United States Postal Service on or before the due date of the returns, and delivered by United States mail to the IRS/MCC after the due date, are treated as timely under the "timely mailing as timely filing" rule. A similar rule applies to designated private delivery services (PDSs). See Part A, Sec. 10. for more information on PDSs. For requests delivered by a designated PDS, but through a non-designated service, the actual date of receipt by IRS/MCC will be used as the filing date.

**.10** Transmitters who submit their extensions of time requests magnetically or electronically will receive a letter from IRS/MCC with an attached list of the payers, based on information contained in the file, specifying approval and/or denial.

**.11** Do not submit tax year 1998 extensions of time to file requests on magnetic media or electronically before January 1, 1999.

**.12** Filers may request an extension of time **as soon as they are aware** that an extension is necessary but not later than the due date of the return. It will take a minimum of 30 days for IRS/MCC to respond to an extension request. Under certain circumstances a request for an extension of time could be denied. In such cases, the transmitter receives a denial letter. When this denial letter is received, the transmitter has 20 days to provide the additional or necessary information and resubmit the extension request to IRS/MCC.

**.13** Each piece of magnetic media **must** have an external media label containing the following information:

- (a) Transmitter name
- (b) Transmitter Control Code (TCC)
- (c) Tax year
- (d) The words "Extension of Time"
- (e) Record count

**.14** A request for an extension of time to file is not automatically granted. Approval or denial is dependent on information provided on the Form 8809.

**.15** If the first request for an extension of time to file was submitted magnetically or electronically, additional extension requests should be submitted in the same manner.

**.16** If an additional extension of time is needed, a second Form 8809 and file may be submitted before the end of the initial extension period with a postmark reflecting the date mailed. Line 7 on the form should be checked to indicate that the original extension has been received and the additional extension is being requested.

**.17** See Part A, Sec. 11, for complete information on requesting an extension of time to file information returns. If there are additional questions or concerns, contact IRS/MCC.

## **Sec. 2. Magnetic Tape, Tape Cartridge, 8mm, 4mm and QIC (quarter inch cartridge), 5 ¼- and 3 ½-inch Diskette and Electronic Specifications**

**.01** Tape specifications are as follows:

- (a) 9 track.
- (b) EBCDIC (Extended Binary Coded Decimal Interchange Code) or ASCII (American Standard Coded Information Interchange) recording mode.
- (c) 1600 or 6250 BPI.
- (d) A block must not exceed 32,600 tape positions and must be a multiple of 200.
- (e) Record length of 200 bytes.
- (f) Labeled or unlabeled tapes may be submitted.

**.02** Tape cartridge specifications are as follows:

- (a) Must be IBM 3480, 3490, or AS400 compatible.

- (b) Must meet American National Standard Institute (ANSI) standards and have the following characteristics:
  - (1) Tape cartridges will be ½-inch tape contained in plastic cartridges which are approximately 4-inches by 5-inches by 1-inch in dimension.
  - (2) Magnetic tape will be chromium dioxide particle based ½-inch tape.
  - (3) Cartridges will be 18-track or 36-track parallel. Indicate on the external media label if the tape cartridge is 18- or 36- track.
  - (4) Mode will be full function.
  - (5) The data may be compressed using EDRC (Memorex) or IDRC (IBM) compression.
  - (6) Either EBCDIC or ASCII.
- (c) A block must not exceed 32,600 tape positions and must be a multiple of 200.
- (d) Record length of 200 bytes.
- (e) Labeled or unlabeled tape cartridges may be submitted.

**.03 8mm, 4mm, and Quarter Inch Cartridge Specifications**

- (a) In most instances, IRS/MCC can process 8mm tape cartridges that meet the following specifications:
  - (1) Must meet American National Standard Institute (ANSI) standards, and have the following characteristics:
    - (a) Created from an AS400 operating system **only**.
    - (b) 8mm (.315-inch) tape cartridges will be 2 ½ -inch by 3 ¾-inch.
    - (c) The 8mm tape cartridges must meet the following specifications:

Tracks	Density	Capacity
1	20 (43245 BPI)	2.5 Gb (10Gb)
1	21 (45434 BPI)	5 Gb (20 Gb)

- (d) Mode will be full function.
- (e) **Compressed data is not acceptable.**
- (f) Either EBCDIC (Extended Binary Coded Decimal Interchange Code) or ASCII (American Standard Coded Information Interchange) may be used. However, IRS/MCC encourages the use of EBCDIC. This information must appear on the external media label affixed to the cartridge.
- (g) A file may consist of more than one cartridge, however, no more than 250,000 documents may be transmitted per file or per cartridge. The filename, for example; IRSEOT, will contain a three digit extension. The extension will indicate the sequence of the cartridge within the file 1 of 3, 2 of 3, or 3 of 3 and would appear in the header label IRSEOT.001, IRSEOT.002, and IRSEOT.003 on each cartridge of the file.
- (2) The 8mm (.315-inch) tape cartridge records defined in this revenue procedure may be blocked subject to the following:
  - (a) A block must not exceed 32,600 tape positions.

- (b) If the use of blocked records would result in a short block, all remaining positions of the block must be filled with 9's; however, the last block of the file may be filled with 9's or truncated. Do not pad a block with blanks.
- (c) All records, except the header and trailer labels, may be blocked or unblocked. A record may not contain any control fields or block descriptor fields which describe the length of the block or the logical records within a block. The number of logical records within a block (the blocking factor) must be constant in every block with the exception the last block which may be shorter (see item (b) above). The block length must be evenly divisible by 200.
- (d) Various SAVE commands have been successful, however, the **SAVE OBJECT COMMAND is not acceptable.**
- (e) Records may not span blocks.
- (3) For faster processing, IRS/MCC encourages transmitters to use header labeled cartridges. IRSEOT may be used as a suggested filename.
- (4) For the purposes of this revenue procedure, the following must be Tape Mark:
  - (a) Signifies the physical end of the recording on tape.
  - (b) For even parity, use BCD configuration 001111 (8421).
  - (c) May follow the header label and precede and/or follow the trailer label.
- (5) IRS/MCC can only read one data file on a tape. A data file is a group of records which may or may not begin with a tapemark, but must end with a trailer label. Any data beyond the trailer label cannot be read by IRS programs.
- (b) 4mm (.157-inch) cassettes are now acceptable with the following specifications:
  - (1) 4mm cassettes will be 2 1/4-inch by 3-inch.
  - (2) The tracks are 1 (one).
  - (3) The density is 19 (61000 BPI).
  - (4) The typical capacity is DDS (DAT data storage) at 1.3 Gb or 2 Gb, or DDS-2 at 4 Gb.
  - (5) The general specifications for 8mm cartridges will also apply to the 4mm cassettes.
- (c) Various Quarter Inch Cartridges (QIC) (1/4-inch) are also acceptable.
  - (1) QIC cartridges will be 4" by 6".
  - (2) QIC cartridges must meet the following specification:

Size	Tracks	Density	Capacity
QIC-11	4/5	4 (8000 BPI)	22Mb or 30Mb
QIC-24	8/9	5 (8000 BPI)	45Mb or 60Mb
QIC-120	15	15 (10000 BPI)	120Mb or 200Mb
QIC-150	18	16 (10000 BPI)	150Mb or 250Mb
QIC-320	26	17 (16000 BPI)	320Mb
QIC-525	26	17 (16000 BPI)	525Mb
QIC-1000	30	21 (36000 BPI)	1Gb



QIC-1350	30	18 (51667 BPI)	1.3Gb
QIC-2Gb	42	34 (40640 BPI)	2Gb

(3) The general specifications that apply to 8mm cartridges will also apply to QIC cartridges.

**.04** Diskette specifications are as follows:

- (a) 5 ¼- or 3 ½-inches in diameter.
- (b) ASCII recording mode **only**. Additional specifications may be found in Part B, Sec. 5, of this revenue procedure.
- (c) Record length of 200 bytes.
- (d) Diskettes must be created using the MS-DOS operating system.
- (e) Filename of IRSEOT must be used. No other filenames are acceptable. If a file will consist of more than one diskette, the filename IRSEOT will contain a three-digit extension. This extension will indicate the sequence of the diskettes within the file. For example, the first diskette will be named IRSEOT.001, the second diskette will be name IRSEOT.002, etc.
- (f) Delimiter character commas (,) or quotes (“ ”) must not be used.
- (g) Positions 199 and 200 of each record have been reserved for use as carriage return/line feed (cr/lf) characters, if applicable.

**.05** Bisynchronous electronic specifications include:

- (a) Transmitter must have a Transmitter Control Code (TCC) and a valid IRS/MCC-assigned password prior to submitting data files.
- (b) Access phone numbers:
 

4800 bps	<b>304-264-7080</b>
9600 bps	<b>304-264-7040</b>
14400 bps	<b>304-265-7045</b>

j **Note: See Part C, Bisynchronous (Mainframe) Electronic Filing Specifications, for detailed information on filing with IRS/MCC via bisynchronous protocols.**

**.06** IRP-BBS specifications include:

- (a) Transmitter must have Transmitter Control Code (TCC).
- (b) IRP-BBS access phone number is **304-264-7070**.
- (c) Communications software settings are:
  - No parity
  - Eight data bits
  - One stop bit
  - Full duplex
- (d) Access speeds from 1200 to 28,800 bps.

j **Note: See Part D, IRP-BBS Electronic Filing Specifications, for detailed information on filing with IRS/MCC via IRP-BBS.**

### Sec. 3. Record Layout

**.01** Positions 6 through 185 of the following record should contain information about the **payer** for whom the extension of time to file is being requested. Do not enter transmitter information in these fields. **Only one TCC may be present in a file.**

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#### Record Layout for Extension of Time

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Field			
Position	Field Title	Length	Description and Remarks
1-5	Transmitter Control Code	5	<b>Required.</b> Enter the five digit Transmitter Control Code (TCC) issued by IRS. <b>Only one TCC per file is acceptable.</b>
6-14	Payer TIN	9	<b>Required.</b> Must be the valid nine-digit EIN/SSN assigned to the payer. <b>Do not enter blanks, hyphens or alpha characters.</b> All zeros, ones, twos, etc. will have the effect of an incorrect TIN. For foreign entities that are not required to have a TIN, this field may be blank; however, the Foreign Entity Indicator, position 187, <b>must</b> be set to "X."
15-54	Payer Name	40	<b>Required.</b> Enter the name of the payer whose TIN appears in positions 6-14. Left justify information and fill unused positions with blanks.
55-94	Second Payer Name	40	If additional space is needed this field may be used to continue name line information (e.g., c/o First National Bank); otherwise, <b>enter blanks.</b>

## Record Layout for Extension of Time (Continued)

Field															
Position	Field Title	Length	Description and Remarks												
95-134	Payer Address	40	<b>Required.</b> Enter the payer’s address. Street address should include number, street, apartment or suite number (or P.O. Box if mail is not delivered to a street address).												
135-174	Payer City	40	<b>Required.</b> Enter payer city, town, or post office.												
175-176	Payer State	2	<b>Required.</b> Enter payer valid U.S. Postal Service state abbreviation (refer to Part A, Sec. 18).												
177-185	Payer ZIP Code	9	<b>Required.</b> Enter payer ZIP code. If using a five-digit ZIP code, left justify information and fill unused positions with blanks.												
186	Document Indicator (See <b>Note</b> )	1	<b>Required.</b> Enter the document for which you are requesting an extension of time using the following code:  <table><tr><th>Code</th><th>Document</th></tr><tr><td>1</td><td>W-2</td></tr><tr><td>2</td><td>1098, 1098-E, 1098-T, 1099-A, 1099-B, 1099-C, 1099-DIV, 1099-G, 1099-INT, 1099-LTC, 1099-MISC, 1099-MSA, 1099-OID, 1099-PATR, 1099-R, 1099-S, or W-2G</td></tr><tr><td>3</td><td>5498, 5498-MSA</td></tr><tr><td>4</td><td>1042-S</td></tr><tr><td>5</td><td>REMIC Documents (1099-INT or 1099-OID)</td></tr></table>	Code	Document	1	W-2	2	1098, 1098-E, 1098-T, 1099-A, 1099-B, 1099-C, 1099-DIV, 1099-G, 1099-INT, 1099-LTC, 1099-MISC, 1099-MSA, 1099-OID, 1099-PATR, 1099-R, 1099-S, or W-2G	3	5498, 5498-MSA	4	1042-S	5	REMIC Documents (1099-INT or 1099-OID)
Code	Document														
1	W-2														
2	1098, 1098-E, 1098-T, 1099-A, 1099-B, 1099-C, 1099-DIV, 1099-G, 1099-INT, 1099-LTC, 1099-MISC, 1099-MSA, 1099-OID, 1099-PATR, 1099-R, 1099-S, or W-2G														
3	5498, 5498-MSA														
4	1042-S														
5	REMIC Documents (1099-INT or 1099-OID)														

**Note:** Do not enter any other values in this field. Submit a separate record for each document. For example, if you are requesting an extension for Form 1099-INT and Form 5498 for the same payer, submit one record with "2" coded in this field and another record with "3" coded in this field. If you are requesting an extension for Form 1099-DIV and Form 1099-MISC for the same payer, submit one record with "2" coded in this field.

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### Record Layout for Extension of Time (Continued)

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Field Position	Field Title	Length	Description and Remarks
187	Foreign Entity Indicator	1	Enter character "X" if the payer is a foreign entity.
188-198	Blank	11	<b>Enter blanks.</b>
199-200	Blank	2	<b>Enter blanks.</b> Diskette filers may code the ASCII carriage return/line feed (CR/LF) characters.

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### Extension of Time Record Layout

Transmitter Control Code	Payer TIN	Payer Name	Second Payer Name	Payer Address	Payer City	Payer State
1-5	6-14	15-54	55-94	95-134	135-174	175-176

  

Payer Zip Code	Document Indicator	Foreign Entity Indicator	Blank	Blank or CR/LF
177-185	186	187	188-198	199-200

## Part F. Miscellaneous Information

### Section 1. Addresses for Martinsburg Computing Center

To submit an application to file, waiver request (forms), correspondence, and magnetic media files, use the following:

Mailing by U. S. Postal Service: §

IRS--Martinsburg Computing Center  
Information Reporting Program

P.O. Box 1359  
Martinsburg, WV 25402-1359

Shipping by truck or air freight: ¶

IRS--Martinsburg Computing Center  
Information Reporting Program  
Route 9 and Needy Road  
Martinsburg, WV 25401

To submit magnetically filed extension of time requests, use the following:

Mailing by U.S. Postal Service: §

IRS-Martinsburg Computing Center  
Information Reporting Program  
**Attn: Extension of Time Coordinator**  
P. O. Box 879  
Kearneysville, WV 25430

Shipping by truck or air freight: ¶

IRS-Martinsburg Computing Center  
Information Reporting Program  
**Attn: Extension of Time Coordinator**  
Route 9 and Needy Road  
Martinsburg, WV 25401

## Section 2. Telephone Numbers for Contacting IRS/MCC



**Information Reporting Program Call Site:**

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**304-263-8700**



**Between 8:30 a.m. and 4:30 p.m. Eastern Time  
Monday through Friday**

**Telecommunication Device for the Deaf (TDD):**

**304-267-3367**

**Information Returns FAX Machine: 304-264-5602**

**Electronic Filing:**

**IRP-BBS  
(Asynchronous)  
304-264-7070**

**Mainframe Filing  
(Bisynchronous Filing)  
4.8 Modems 304-264-7080  
9.6 Modems 304-264-7040  
14.4 Modems 304-264-7045**

**HOURS OF OPERATION -  
24 HOURS A DAY  
7 DAYS A WEEK**

**This is the end of Publication 1220 for Tax Year 1998.**